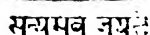








1961-62



**LABOUR BUREAU  
MINISTRY OF LABOUR AND EMPLOYMENT  
GOVERNMENT OF INDIA**



## *Published Reports on Survey of Labour Conditions*

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## PREFACE

Industrial labour and its problems have been the subject of interest, though varying in degree and extent, ever since India entered the industrial field over a century ago. Today, this interest has shifted from prevention of exploitation of labour to providing a fair deal and opportunities for a fuller life to labour. The growing realisation of this approach to problems of labour in India in the context of present day planned economic development of the country, is provided a sound base by the Surveys that reveal true conditions of labour.

The last detailed survey on a country-wide basis of the working and living conditions of industrial labour was conducted by the Labour Investigation Committee appointed by the Government of India in 1944. The years that followed witnessed far-reaching changes in the set-up of the country, its basic policies and national objectives. As a result, the long term strategy for economic and industrial advance recognises the well-being of the working class as an essential factor in the overall stability and progress of the country. The adoption of this policy, in the changed circumstances of the country, has brought about a new awakening in the ranks of labour and afforded them much relief in various directions through legislation and other measures.

In order to assess the impact of these measures on the industrial labour and to appraise their present conditions, a scheme for a comprehensive Survey of Labour Conditions was incorporated in the Second Five Year Plan and its execution was entrusted to the Labour Bureau. The Survey was conducted according to a phased programme in 46 industries.\* This report presents data regarding Coffee Plantations covered under the scheme during 1961-62.

The present Survey differs considerably from similar investigations in the past in matters of design, scope and presentation of data. It has also certain distinguishing features. For example, it furnishes data separately for large and small establishments in various industries, make a limited study of labour cost in relation to the benefits and amenities that the workers now enjoy, seeks to fill the gap in the statistics of labour turnover and absenteeism in the various industries and provides first-hand information on certain important aspects of labour-management relations. Attempts has also been made to collect and interpret data on certain conventional items in a more meaningful way. In the presentation of the data, the effort has been to reduce the information into quantitative terms so as to serve as a bench-mark for purpose of evaluation of changes at a future date. Recourse to general description has been resorted to only where the other type of treatment was not possible.

\*The names of 46 industries are given in the Preface (Page III) attached to the report on Survey of Labour Conditions in Silk Factories in India.

In a Survey of this magnitude it was but natural that many problems had to be faced both in planning as well as execution. Most of these flowed from non-availability of up-to-date frames and absence or improper maintenance of records in many establishments. In many cases the field staff had almost to build up the required statistics from various sources. This naturally imposed a heavy demand on the managements and the Bureau is deeply indebted to them for their whole-hearted co-operation. The co-operation and valuable assistance received from associations of employers and workers, particularly the United Planters' Association of Southern India, Labour Commissioners as well as Chief Inspectors of Plantations and other officials of State Labour Departments is also gratefully acknowledged.

The debt of gratitude that I owe to the Central Statistical Organisation and the Chief Adviser of Plantations for evincing keen interest in the Survey and rendering technical advice on various matters is indeed great. I am also thankful to the Employment Division of the Planning Commission for examining the schedules and instructions and offering useful suggestions. I am equally grateful to the Bureau of Labour Statistics, U.S.A., Social Surveys Division, Ministry of Labour and Social Service, U.K., Economics and Research Branch, Department of Labour, Canada and Labour Statistics and Research Division, Ministry of Labour, Japan, whose advice was sought on several technical matters.

The primary responsibility for conducting this Survey and bringing out the reports on individual industries was ably borne by Shri B. N. Srivastava, Deputy Director, whose experience and application came into full play in this assignment. On various statistical problems arising out of the Survey, the requisite technical advice was provided to him by other officers at the Headquarters. Shri K. Lakshminarayanan, Research Officer (who was also the field supervisor) rendered valuable assistance in the drafting of his report. The field investigations were carried out by Sarvashri B. Raghavan, S. K. Rao, V. S. Rao, P. Venkataraman and K. C. Luke. Sarvashri Krishna Kumar, A. K. Minocha, Kailash Chander Sharma and K. M. Varghese assisted in the computation of the data. To them all my thanks are due.

The views expressed in this report are not those of the Ministry of Labour and Employment, Government of India.

LABOUR BUREAU, SIMLA;

*Dated the 5th October, 1965*

**K. C. SEAL**

**Director**

## CHAPTER I

### INTRODUCTION

#### 1.1. *Origin of the Coffee Industry*

The beginning of plantation industry in South India was with coffee. The date when coffee was first introduced in India, probably from Abyssinia or Arabia, is not known, but the popular belief is that it was brought from Mecca by a muslim pilgrim named Baba-ud-Din in 1600\*. Some other publications† give the date as 1695. Whatever may be the exact year of appearance of coffee plants in South India, there seems to be no dispute that systematic cultivation of coffee began in Mysore and the neighbouring districts of Madras some time in 1830. The industry prospered till 1879 and thereafter passed through a critical phase for about 10 years. It again regained its position and there was a brief period of prosperity till about 1896. Subsequently, owing to competition from Brazil and the absence of a steady and assured market for its produce, some of the land which had been under coffee was planted with tea or cinchona. However, since the Independence of the country, there has been some expansion, as will be seen from the following Statement which gives the number of estates as well as the total planted area for some of the selected years.

STATEMENT 1.1

*Number of Coffee Estates, Registered as well as Unregistered,  
1947—1961*

| Year         | No. of estates |               |        | Area (in hectares)† |
|--------------|----------------|---------------|--------|---------------------|
|              | Registered*    | Un-registered | Total  |                     |
| (1)          | (2)            | (3)           | (4)    | (5)                 |
| 1947 .. .. . | 19,684         | 6,188         | 25,872 | ‡                   |
| 1951 .. .. . | 28,369         | 4,735         | 33,104 | 95,281              |
| 1956 .. .. . | 36,482         | 6,550         | 43,032 | 105,380             |
| 1961 .. .. . | 43,377         | 4,029         | 47,406 | 120,320             |

\*i.e., registered with the Coffee Board.

†Information relates to composite years 1951-52, 1956-57 and 1960-61.

‡Information for 1947 is not available. In 1948-49, the area under coffee was 89,450.

#### 1.2. *Location of the Industry*

Due to geographical factors coffee plantations are entirely concentrated in the Southern parts of India. The following Statement 1.2

\*Source :—Planting Directory of Southern India 1960.

†e.g., Ulker's Publication of Coffee.

gives details of number of estates in 1961 according to broad size group of acreage.

### STATEMENT 1.2

#### *Number of Coffee Estates According to Size of Holdings in the Different States—1961*

| Serial No. | State        | No. of registered *coffee estates according to size of holdings |                                      |                                       |                    |        | No. of unregistered estates | Total No. of estates whether registered or unregistered | Total planted area under coffee (hectares) |
|------------|--------------|---|--------------------------------------|---------------------------------------|--------------------|--------|-----------------------------|---|--|
|            |              | Below 5 acres   | 5 acres and above but below 25 acres | 25 acres and above but below 50 acres | 50 acres and above | Total  |                             |   |  |
| (1)        | (2)          | (3)   | (4)                                  | (5)                                   | (6)                | (7)    | (8)                         | (9)   | (10)                                       |
| 1          | Mysore ..    | 11,518  | 4,196                                | 362                                   | 573                | 16,649 | 442                         | 17,091<br>(36.1)  | 65,928<br>(54.8)                           |
| 2          | Madras ..    | 8,955   | 1,853                                | 103                                   | 158                | 11,069 | 1,103                       | 12,172<br>(25.7)  | 28,470<br>(23.6)                           |
| 3          | Kerala ..    | 11,593  | 1,962                                | 83                                    | 103                | 13,741 | 2,484                       | 16,225<br>(34.2)  | 25,702<br>(21.4)                           |
| 4          | Other States | 1,913   | 2                                    | —                                     | 3                  | 1,918  | —                           | 1,918<br>(4.0)  | 220<br>(0.2)                               |
| 5          | Total ..     | 33,979  | 8,013                                | 548                                   | 837                | 43,377 | 4,029                       | 47,406<br>(100.0)                                       | 120,320<br>(100.0)                         |

Source :—Coffee Board.

NOTE—(1) Figures in brackets in col. (9) and (10) are percentages to respective totals.

(2) 1 acre=0.404686 hectare.

\*i.e., registered with the Coffee Board.

From the point of view of area, the State of Mysore was the most important accounting for nearly 55 per cent. of the total planted area under coffee, it was followed by Madras (24%) and Kerala (21%). A noteworthy feature of the Coffee Plantation Industry is that majority of the holdings are small in size. In 1961, nearly 97 per cent. of the holdings were below 25 acres and only about 3 per cent. of the holdings were 25 acres or more. It may be pointed out at this stage that the number of units discussed above relate to entire Coffee Plantation Industry in the country but all these estates do not come under the purview of the Plantations Labour Act, 1951. This Act applies to plantations which admeasure 10.117 hectares (i.e. 25 acres) or more and in which thirty or more persons are employed or were employed on any day of the preceding twelve months. According to the list of plantations maintained by the State Governments, the number of coffee plantations which were covered under the Plantations Labour Act was only 970 in 1960 thereby indicating the existence of large number of estates which are outside the purview of the Plantations Labour Act, 1951.

### 1.3. *Genesis of the Survey*

The first comprehensive survey of conditions of labour in various industries including plantations in India on a country-wide basis was conducted by the Royal Commission on Labour in 1929—31. Their report and findings formed the basis of the various ameliorative measures. After a lapse of over a decade, i.e., in 1944, the Government of India appointed another Committee, viz., the Labour Investigation Committee to enquire into the conditions of labour in all important industries. The Committee conducted detailed investigation in 38 industries, including plantations, during 1944-45 and, besides a main report on labour conditions in general, published individual reports in respect of various industries. These reports provided valuable material for the formulation of labour policy. The years that followed witnessed many changes of far-reaching significance. For instance many legislative measures were adopted to improve working and living conditions and several schemes were introduced for promoting welfare and social security of workers. The setting up of the adjudication machinery also led to improvement in conditions of work and wages in various industries. Above all, the attainment of independence by the country gave a new status to the working class. In view of these developments, the Ministry of Labour and Employment as well as the Planning Commission considered it necessary that a fresh comprehensive survey of labour conditions in various industries should be conducted so that it may be possible to assess the effects of various measures adopted so far and to obtain a precise picture of the existing conditions and problems of labour for purposes of deciding the future course of action. Accordingly, a scheme for the conduct of a survey of labour conditions was included in the Second Five Year Plan and the Labour Bureau was entrusted with execution of the scheme.

### 1.4. *Scope and Design*

A note appended (Appendix) to the Report gives details relating to the sample design and method of estimation adopted. In view of absence of a complete list of all coffee estates, the Survey was confined to establishments coming within the purview of the Plantations Labour Act, 1951 and listed with the State Governments. Since coffee plantations are concentrated entirely in Southern India it was decided to have a single stratum, i.e., All India. Earlier investigations had indicated existence of wide variations in conditions of work, standards of welfare amenities, etc., in establishments of different size groups in various industries. It was, therefore, considered desirable to collect data separately for establishments of different sizes. In the light of the resources available and from the point of practicability it was decided that, for purposes of the Survey, coffee plantations may be divided into two size groups, i.e., large and small. For this purpose, the stratification point was arrived at on the basis of the average employment of the units in the industry as a whole during 1960, the latest year for which information was available. The cut-off point taken was 90, which was approximately equal to the average daily employment in coffee plantations in the country. Thus, units employing up to 90 workers were treated as small size estates and the rest as large estates. The sampling fraction adopted was 25 per cent. in the

case of large estates and 12.5 per cent. in the case of small estates. The following Statement 1.3 shows the number of coffee plantations together with the number of workers employed therein (a) in the frame, and (b) in the samples selected and actually covered:—

STATEMENT 1.3

*Number of Coffee Plantations and Persons Employed Therein in the Frame and as Covered by the Survey*

| Size                  | In the frame (1960) |                            | In the samples selected and covered |                            |
|-----------------------|---------------------|----------------------------|-------------------------------------|----------------------------|
|                       | Number of estates*  | Number of workers employed | Number of estates                   | Number of workers employed |
| (1)                   | (2)                 | (3)                        | (4)                                 | (5)                        |
| Large Estates .. .. . | 218                 | 48,260                     | 55<br>(25.2)                        | 13,159<br>(27.3)           |
| Small Estates .. .. . | 752                 | 29,465                     | 93<br>(12.4)                        | 3,693<br>(12.5)            |
| All Estates .. .. .   | 970                 | 77,725                     | 148<br>(15.3)                       | 16,852<br>(21.7)           |

\*i.e., estates covered under the Plantations Labour Act, 1951.

From the figures given above, it would be seen that the Survey ultimately covered about 15 per cent. of coffee plantations and nearly 22 per cent. of the workers employed therein. Since only those plantations came in the sample as featured in the frame and as it was not possible to take into account new estates, if any, which, came into being during the period of the Survey, or estates which ceased to function and hence went out of the purview of the Plantations Labour Act, 1951, the information given in the Report should be treated to relate to conditions in plantations, covered under the Plantations Labour Act, which were in existence during the period to which the frame relates i.e., 1960 and which continued to exist at the time of the Survey.

The data were collected in a specially designed schedule\* by personal visits of the field staff of the Bureau. With a view to testing the schedule and instructions prepared for the Survey, as also to impart training to the field staff, a pilot survey was conducted. On the basis of the experience of this enquiry the schedule and instructions were suitably revised. Usually coffee plantations have off season in March-April and the period from November to February is considered to be a very busy one for picking work. Therefore, the specified date selected for purposes of collecting data on employment, wages, earnings, etc., was 30th November 1961 as this fell during the season and it was felt that collection of data for this period would enable a

\* The schedule was the same as used for other industries, a copy of which has been published as an Appendix to the Reports on Survey of Labour Conditions in Silk and Jute Factories in India. Only some minor changes were made to collect some more details relevant to plantations industry.

better appreciation of various aspects of labour in the industry. The main field enquiry in coffee plantations was launched in December 1961 and ended in July 1962. Since the enquiry in essence was during 1961-62, the data, except where specifically mentioned, should be treated to relate to this period.

Coffee plantations were covered by the Labour Investigation Committee in the course of their enquiry of plantation industries. With a view to indicating the developments and changes which have taken place since then, some remarks have been given in the report regarding the position at the time of the Committee's enquiry and the present Survey. Since there are differences in the scope of the previous enquiry and this Survey, the comparisons, wherever made, can be treated to be only broadly valid.



## CHAPTER II

### EMPLOYMENT

Viewed from the point of employment, Coffee Plantation Industry takes the second place next only to tea among the plantation industries of India. The Labour Investigation Committee which conducted a detailed investigation into the plantation industries estimated the employment in the Coffee Plantation Industry at 115 thousand in 1943. There has been a significant increase in the employment in the industry since then. The statistics of employment in coffee plantations are available since 1951 and they are given below :

#### STATEMENT 2.1

*Average Daily Employment in Coffee Plantation Industry 1951,  
1956—60*

| Year |    |    |    |    |    |    |    | Average<br>daily<br>employment<br>(in<br>thousands) | Percentage<br>increase<br>(over 1951) |
|------|----|----|----|----|----|----|----|---|---------------------------------------|
| (1)  |    |    |    |    |    |    |    | (2)   | (3)                                   |
| 1951 | .. | .. | .. | .. | .. | .. | .. | 175.1   | —                                     |
| 1956 | .. | .. | .. | .. | .. | .. | .. | 227.2   | 29.8                                  |
| 1957 | .. | .. | .. | .. | .. | .. | .. | 199.2   | 13.8                                  |
| 1958 | .. | .. | .. | .. | .. | .. | .. | 195.5   | 11.6                                  |
| 1959 | .. | .. | .. | .. | .. | .. | .. | 260.7   | 48.9                                  |
| 1960 | .. | .. | .. | .. | .. | .. | .. | 283.6   | 62.0                                  |

NOTE:—Information relates to estates covered as well as not covered under the Plantations Labour Act.

Source :—Indian Labour Statistics.

The statistics given above relate to the entire Coffee Plantation Industry. The Survey was, however, confined to coffee plantations which admeasure 10.117 hectares or more and employing 30 or more workers. The statistics on employment in respect of such estates, furnished by the State Governments, show that the average daily employment in the coffee estates coming within the purview of the Plantations Labour Act, 1951 was about 78 thousand in 1960. Since only such of the coffee plantations which came within the purview of the Plantations Labour Act were in the frame and, consequently, in the samples covered, the estimates on employment, etc., discussed in the following paragraphs should be treated to relate to coffee plantations coming within the purview of the Plantations Labour Act.

#### 2.1. Composition of the Working Force

With a view to maintaining comparability as well as uniformity, statistics pertaining to employment were collected for a fixed date i.e., 30th November, 1961 from all the sampled estates. The results of the Survey indicate that on that date the employment strength of

coffee plantations covered under the Plantations Labour Act was about 70 thousand.

## 2.2. Distribution by Broad Occupational Groups

For purposes of the Survey the classification\* of occupations was as follows:

- (1) Professional, Technical and Related Personnel,
- (2) Administrative, Executive and Managerial Personnel,
- (3) Clerical and Related Workers (including Supervisory).
- (4) Production and Related Workers (including Supervisory),
- (5) Watch and Ward and Other Services.

The following Statement 2.2 gives the estimated total number of employees by broad occupational groups in coffee plantations in the country.

### STATEMENT 2.2

*Distribution of Workers by Broad Occupational Groups—November, 1961*

| Size                | Estimated number of workers* |  |   |  |  |  |
|---------------------|------------------------------|--|---|--|--|--|
|                     | Total                        | Professional<br>Technical<br>and<br>Related<br>Personnel | Adminis-<br>trative,<br>Executive<br>and<br>Managerial<br>Personnel | Clerical<br>and<br>Related<br>Workers<br>(including<br>Supervi-<br>sory) | Produc-<br>tion and<br>Related<br>Workers<br>(including<br>Supervi-<br>sory) | Watch and<br>Ward and<br>Other<br>Services |
| (1)                 | (2)                          | (3)  | (4)   | (5)  | (6)  | (7)  |
| Large Estates .. .. | 43,642                       | 263<br>(0·6)   | 205<br>(0·5)  | 340<br>(0·8)   | 41,560<br>(95·2)   | 1,274<br>(2·9)                             |
| Small Estates .. .. | 26,389                       | —  | 402<br>(1·5)  | 186<br>(0·7)   | 25,543<br>(96·8)   | 258<br>(1·0)                               |
| All Estates .. ..   | 70,031                       | 263<br>(0·4)   | 607<br>(0·9)  | 526<br>(0·7)   | 67,103<br>(95·8)   | 1,532<br>(2·2)                             |

\*Relate to workers covered as well as not covered under the Plantation Labour Act, 1951.  
NOTE—Figures in brackets are percentages to the respective totals in Col. (2).

As is evident from the above statistics, 'Production and Related Workers (including Supervisory)' constituted the bulk of the working force accounting for nearly 96 per cent. of the total employed in the industry. Persons falling in other groups formed a very small percentage of the total.

It may be relevant to point out in this connection that classification of workers as 'Production Workers', 'Watch and Ward', etc., is not rigidly followed in plantations. Workers in plantations are generally classified into two categories, i.e. (1) field labour, and (2) staff. All persons in the first category are daily-rated, while those included in the second category are usually monthly-rated. Staff members hold superior position *vis-a-vis* field labour and persons included in this

\*The classification was based on the 'International Standard Classification of Occupations' as adopted by the International Labour Office.

group are clerks and related workers, medical staff (doctors, nurses, compounders, etc.), field conductors (production supervisors), teachers, lorry drivers, electricians and such other persons who are monthly-rated. All daily-rated workers are called field labourers. Once a worker is recruited as a field labourer in plantations he is expected to attend to any type of work. For example, a worker who might be attending to such work as weeding, manuring, etc., may be required to work as a watchman and *vice-versa*. Since minimum wages are the same for all time-rated workers, no problem is involved in shifting of workers from one job to another and in fact there is constant inter-change of jobs.

### 2.3. Workers Not Covered Under the Plantations Labour Act

Plantations Labour Act defines 'worker' coming within the purview of the Act as follows:—

“‘Worker’ means a person employed in a plantation for hire or reward, whether employed directly or through any agency, to do any work, skilled, unskilled, manual or clerical but does not include—

- (i) a medical officer employed in the plantation;
- (ii) any person employed in the plantation (including any member of the medical staff) whose monthly wages exceed rupees three hundred;
- (iii) any person employed in the plantations primarily in a managerial capacity, notwithstanding that his monthly wages do not exceed rupees three hundred; or
- (iv) any person temporarily employed in the plantation in any work relating to the construction, development or maintenance of buildings, roads, bridges or canals.”

Data collected during the Survey suggest that persons who were not covered under the Plantations Labour Act constituted an insignificant proportion, viz., 1.4 per cent. of the estimated total working force. The following Statement 2.3 gives the details of the persons 'covered' and 'not covered' under the Plantations Labour Act.

#### STATEMENT 2.3

*Estimated Number of Persons Covered and Not Covered under the Plantations Labour Act—November, 1961*

| Size                | Professional,<br>Technical and<br>Related Personnel |                | Administrative,<br>Executive and<br>Managerial Personnel |                | Clerical and<br>Related Workers<br>(including Supervisory) |                |
|---------------------|---|----------------|--|----------------|--|----------------|
|                     | Covered   | Not<br>Covered | Covered  | Not<br>Covered | Covered  | Not<br>Covered |
| (1)                 | (2)   | (3)            | (4)  | (5)            | (6)  | (7)            |
| Large Estates .. .. | 95<br>(36.1)  | 168<br>(63.9)  | —  | 205<br>(100.0) | 238<br>(70.0)  | 102<br>(80.0)  |
| Small Estates .. .. | —   | —              | —  | 402<br>(100.0) | 172<br>(92.5)  | 14<br>(7.5)    |
| All Estates .. ..   | 95<br>(36.1)  | 168<br>(63.9)  | —  | 607<br>(100.0) | 410<br>(77.9)  | 116<br>(22.1)  |

## STATEMENT 2.3—contd.

| Size                | Production and<br>Related Workers<br>(including Supervisory) |                | Watch and Ward<br>and Other<br>Services |                | Total            |                |
|---------------------|--|----------------|---|----------------|------------------|----------------|
|                     | Covered  | Not<br>covered | Covered                                 | Not<br>covered | Covered          | Not<br>covered |
| (1)                 | (8)  | (9)            | (10)                                    | (11)           | (12)             | (13)           |
| Large Estates .. .. | 41,549<br>(99.7)   | 11<br>(0.3)    | 1,171<br>(91.9)                         | 103<br>(8.1)   | 43,053<br>(98.7) | 589<br>(1.3)   |
| Small Estates .. .. | 25,543<br>(100.0)  |                | 258<br>(100.0)                          |                | 25,973<br>(98.4) | 416<br>(1.6)   |
| All Estates .. ..   | 67,092<br>(99.9)   | 11<br>(0.1)    | 1,429<br>(93.3)                         | 103<br>(6.7)   | 69,026<br>(98.6) | 1,005<br>(1.4) |

NOTE—Figures in brackets are percentages to the total of the respective groups.

It will be seen from the above figures that persons holding managerial posts were all outside the purview of the Plantations Labour Act. The proportion of workers 'not covered' was quite high (64%) in the broad group 'Professional, Technical and Related Personnel'. In other groups, viz., 'Clerical and Related Workers' and 'Watch and Ward and Other Services' the percentage of workers 'not covered' was 22 and 7 respectively. It was noticed that in one of the large size units, which was a Research Centre under the control of the Coffee Board, there were a good number of technicians as also clerical and watch and ward staff who were governed by the rules of the Coffee Board and hence were excluded from the scope of the Plantations Labour Act. This is the main reason for such a high proportion of workers under the category 'not covered' in the above groups.

2.4. *Employment of Women*

A striking feature of the labour force in plantations in South India in 1944, towards which the Labour Investigation Committee had drawn specific attention, was the employment of women and children in large numbers. The Committee estimated that women constituted about 40 per cent. of the working force in 1943. The present Survey results show an upward trend. The following Statement 2.4 gives details of the number of men, women, adolescents and children employed in the industry.

## STATEMENT 2.4

*Proportion of Men, Women, Adolescents and Children in the Working Force—November, 1961*

| Size                | Estimated number of workers* employed |                  |                |                |                   |
|---------------------|---------------------------------------|------------------|----------------|----------------|-------------------|
|                     | Men                                   | Women            | Adolescents    | Children       | Total             |
| (1)                 | (2)                                   | (3)              | (4)            | (5)            | (6)               |
| Large Estates .. .. | 20,932<br>(49.3)                      | 19,515<br>(44.7) | 1,241<br>(2.9) | 1,365<br>(3.1) | 43,053<br>(100.0) |
| Small Estates .. .. | 13,155<br>(51.4)                      | 11,269<br>(42.7) | 402<br>(1.5)   | 1,147<br>(4.4) | 25,973<br>(100.0) |
| All Estates .. ..   | 34,087<br>(50.1)                      | 30,784<br>(44.0) | 1,643<br>(2.3) | 2,512<br>(3.6) | 69,026<br>(100.0) |

\*Relates to workers covered under the Plantations Labour Act, 1951.

NOTE—Figures in brackets are percentages to respective totals in col. (6).

There appears to be no special reason for the large employment of women in coffee plantations excepting the fact that since the recruitment of labour is done on a family basis rather than on an individual basis, large number of women get employed along with other members of their families in the plantations. Apparently employment of women has come to stay in plantations. As regards occupations in which women were employed, it may be stated that there is no rigid classification of workers according to occupations. In fact, once a woman is engaged as a labourer she may be required to attend to any type of work according to exigencies of work. For example, a woman employed for weeding or picking work may be required to work as a creche attendant. It was, therefore, not possible to collect data on employment of women according to occupations in which they are engaged. Even so, data collected on the broad occupational groups indicate that almost 99 per cent. of the total estimated women employed in the industry were engaged as production workers on jobs such as picking, weeding, manuring, etc. Women were also found to be employed as teachers, nurses, midwives, under the broad group 'Professional, Technical and Related Personnel' and as creche *ayahs* and sweepers falling under the category 'Watch and Ward and Other Services'. There was not a single woman worker in the 'Clerical and Related Workers' or in the 'Administrative, Executive and Managerial' categories.

## 2.5. *Adolescents*

Employment of adolescents (i.e., persons between the ages of 15 and 18) is a peculiar feature in the plantations industry. In fact, adolescents emerge as a distinct category in the working force. The Labour Investigation Committee did not make any specific mention about this category, but the employment of adolescents seems to have been in vogue even at that time. Though adolescents were found to be employed in 25 per cent. of the units they constituted only 2.3 per cent. of the working force, the corresponding percentages for the estates in the large and small size groups being 2.9 and 1.5 respectively.

Adolescents were mostly engaged on such jobs as picking, weeding and manuring.

## 2.6. *Child Labour*

The Labour Investigation Committee estimated that 11 per cent. of the working force in coffee plantations surveyed by them were children. The results of the present Survey indicate that child labour was employed in about 37 per cent. of the units and constituted 3.6 per cent. of the working force in the industry as a whole, the respective percentages for large and small estates being 3.1 and 4.4. Children were generally found to be employed for such operations as picking, weeding and manuring.

Even though the Plantations Labour Act stipulates that children should carry token giving reference to certificate of fitness, in none of the sampled units, where children were employed, this provision of the law had been complied with.

## 2.7. Time and Piece-rated Workers

The following Statement 2.5 shows the distribution of production workers according to time and piece-rate system of payment.

### STATEMENT 2.5

*Proportion of Time and Piece-Rated Production Workers—November, 1961*

| Size          |    |    |    |    |    | Estimated<br>number<br>of<br>production<br>workers* | Percentage of<br>workers who were |             |
|---------------|----|----|----|----|----|---|-----------------------------------|-------------|
|               |    |    |    |    |    |   | Time-rated                        | Piece-rated |
| (1)           |    |    |    |    |    | (2)   | (3)                               | (4)         |
| Large Estates | .. | .. | .. | .. | .. | 41,549  | 96.6                              | 3.4         |
| Small Estates | .. | .. | .. | .. | .. | 25,543  | 100.0                             | —           |
| All Estates   | .. | .. | .. | .. | .. | 67,092  | 97.9                              | 2.1         |

\*Number of workers relates to those covered under the Plantations Labour Act only.

It is evident from the above statistics that the industry consists of workers who are predominantly time-rated. In fact the system of piece-rate was noticed only in a few large units in Mysore State and that too for picking work during the rush season.

## 2.8. Contract Labour

The Plantations Labour Act, 1951 excludes from its purview any person temporarily employed in the plantations in any work relating to construction, development or maintenance of buildings, roads, bridges, drains or canals. Since the scope of the Survey was restricted to persons covered under the Plantations Labour Act, no data were collected in respect of workers engaged in such operations. However, it was noticed that in some coffee estates certain regular items of work such as digging, lopping, weeding and picking were given on a contract basis to contractors who employed their own labour and the managements did not have any control over the number of workers employed, their rates of wages, etc. No records were maintained by the managements for such workers. The contractors after finishing the job in the stipulated time left for taking up work in other areas. Consequently, no details could be collected in respect of such workers. It is estimated that in the industry as a whole, the system of giving work on a contract basis was in vogue in nearly 20 per cent. of coffee estates.

The main reasons put forth by the managements who engaged contract labour were as follows:—

1. employing contract labour is more economical and no direct supervision is needed by the managements;
2. to cope up with the rush of work during picking seasons, and to finish the work within the season, contract labour has to be engaged; and
- 3 no administrative work is entailed relating to maintenance of records by the managements in case they engage contract labour.

## 2.9. Employment Status

At the time the Labour Investigation Committee conducted their enquiry workers were generally classified into three categories: (a) garden labour, (b) outside labour—permanent, and (c) outside labour—temporary. Since then, there has been a change in the classification largely as a result of application of the Industrial Employment (Standing Orders) Act, 1946 to the industry. The Model Standing Orders framed by the United Planters' Association of Southern India (UPASI), which have generally been adopted by the plantations in South India, provide for classification of all employees into two groups: (a) staff, and (b) workmen. Staff members comprise supervisory personnel and staff of medical and welfare establishments, clerks, motor vehicle drivers employed on monthly rates of pay and they are classified as permanent, probationer and temporary. Workmen, i.e., the rest, are classified only into two groups, viz., permanent and casual. Data collected during the Survey regarding employment status of production workers are given below:—

### STATEMENT 2.6

#### *Estimated Distribution of Production Workers by Employment Status—November, 1961*

| Size          |       | Estimated number of production workers <sup>*</sup> | Percentage distribution of workers |             |           |        |
|---------------|-------|---|------------------------------------|-------------|-----------|--------|
|               |       |   | Permanent                          | Probationer | Temporary | Casual |
| (1)           |       | (2)   | (3)                                | (4)         | (5)       | (6)    |
| Large Estates | .. .. | 41,549  | 83.5                               | †           | 2.8       | 13.7   |
| Small Estates | .. .. | 25,543  | 74.4                               | —           | 8.5       | 17.1   |
| All Estates   | .. .. | 67,092  | 80.0                               | †           | 5.0       | 15.0   |

\*Relate to workers covered under the Plantations Labour Act only.

†Indicates that the percentage is less than 0.05.

The somewhat low proportion of permanent workers in small estates as compared to large ones is due to the fact that some of the small estates did not keep any permanent labour force but engaged only casual labour during the busy season. It was also found that some units gave the entire work of the estate to contractors who engaged their own labour and managements did not keep any record of such workers. This was particularly noticed in estates located in the interior areas of Mysore State.

The system of engaging *baddi* workers was found to be totally absent in coffee plantations.

## 2.10. Length of Service

Data regarding length of service of production workers directly employed and covered under the Plantations Labour Act were collected during the course of the Survey. It may be mentioned that even though the managements are required to maintain leave register

in respect of each employee showing *inter alia* the date of appointment of each person, it was observed that some of the estates did not maintain such registers and some of them did keep the registers but did not keep details regarding the date of appointment. Consequently, data collected from such units are based on the information given by the managements.

The results of the Survey show that in the industry as a whole, nearly 34 per cent. of the production workers were in the service group 'less than one year', 27.5 per cent. in the group 'one or more but less than 5 years' and the rest had put in a service of 5 or more years. Details for the large and small estates are given in the Statement below:—

#### STATEMENT 2.7

#### *Estimated Distribution of Production Workers According to Length of Service—November, 1961*

| Size                | Estimated number of production workers* | Percentage of workers with a service of |                                   |                                  |                                   |                  |
|---------------------|---|---|-----------------------------------|----------------------------------|-----------------------------------|------------------|
|                     |   | Less than one year                      | One or more but less than 5 years | 5 or more but less than 10 years | 10 or more but less than 15 years | 15 years or more |
| (1)                 | (2)                                     | (3)                                     | (4)                               | (5)                              | (6)                               | (7)              |
| Large Estates .. .. | 41,549                                  | 24.9                                    | 24.5                              | 27.2                             | 15.2                              | 8.2              |
| Small Estates .. .. | 25,543                                  | 48.5                                    | 32.4                              | 13.4                             | 3.1                               | 2.6              |
| All Estates .. ..   | 67,092                                  | 33.9                                    | 27.5                              | 21.9                             | 10.6                              | 6.1              |

\*Relate to workers covered under the Plantations Labour Act only.

The main reason for the concentration of a little more than one-third of the total production workers in the group 'less than one year' is the fact that in coffee plantations a fairly large number of workers are appointed for a short duration only during the busy season to cope up with work.

#### 2.11. Absenteeism

During the course of the Survey, data on absenteeism relating to production workers, other than those employed on a casual basis, were collected for a period of 12 months ending with 30th November 1961. However, the statistics are subject to certain limitations. For instance, it was generally noticed that the managements used a common symbol 'a' for recording non-reporting of workers in the plantations either of their own accord or due to lay off or refusal of work by the managements. Often it was found that managements continued to mark as absent even those workers who left the job. Though an attempt was made to verify and exclude such markings, it was not possible to verify all such cases. It is, therefore, felt that to some extent such markings may have been included as absences and thus inflated the figures. It was also noticed that in a few estates no proper attendance register was kept. In such cases data had to be compiled on the basis of such other records as were available. Due to all these factors one is inclined to conclude that absenteeism rates



reflected by the statistics collected are rather on the high side. The following Statement 2.8 gives the absenteeism rate in large as well as small estates during the period December, 1960 to November, 1961.

### STATEMENT 2.8

*Estimated Rate of Absenteeism—December, 1960 to November, 1961*

| Month   | Absenteeism rate in |               |             |
|---|---------------------|---------------|-------------|
|   | Large Estates       | Small Estates | All Estates |
| (1)   | (2)                 | (3)           | (4)         |
| December, 1960 .. .. .                        | 17.1                | 15.0          | 16.3        |
| January, 1961 .. .. .                         | 20.9                | 16.9          | 19.4        |
| February, 1961 .. .. .                        | 22.1                | 18.2          | 20.7        |
| March, 1961 .. .. .                           | 22.0                | 19.9          | 21.3        |
| April, 1961 .. .. .                           | 29.8                | 39.2          | 32.5        |
| May, 1961 .. .. .                             | 29.0                | 29.7          | 29.2        |
| June, 1961 .. .. .                            | 25.0                | 23.1          | 24.3        |
| July, 1961 .. .. .                            | 31.1                | 26.3          | 29.4        |
| August, 1961 .. .. .                          | 25.1                | 21.2          | 23.7        |
| September, 1961 .. .. .                       | 20.0                | 22.0          | 20.7        |
| October, 1961 .. .. .                         | 18.0                | 20.0          | 18.8        |
| November, 1961 .. .. .                        | 19.4                | 20.4          | 19.8        |
| Average (December 1960—November 1961) .. .. . | 23.1                | 21.7          | 22.6        |

It will be noticed from the above Statement that the annual average rate of absenteeism was 22.6 per cent. in the industry, as a whole. As between the different months, the rate was the highest (32.5%) in April and the lowest (16.3%) in December. April is the off-season month in coffee plantations. Some of the plantations start work in May while in many the off-season ends only in the latter part of May or early June. Therefore, the common practice in coffee plantations is to grant annual leave to workers during this period. Generally during these months only a few workers are retained in the estates for essential maintenance work. In fact, some of the small estates temporarily close down the estate and all workers go out to their native places. This explains a very high rate of absenteeism during the month of April and a fairly high rate during May. The high absenteeism in June, July and August is due to rainy season. Most of the coffee plantations are situated in Mysore and Kerala. In these States, the impact of monsoons is the heaviest during the months of June and July and it becomes difficult for the workers to attend to work during heavy rains.

### 2.12. Labour Turnover

Statistics of labour turnover were also collected for the same period and the same group of workers as for absenteeism. The results

are summarised in Statements 2.9 and 2.10 separately for **accessions** and **separations**.

### STATEMENT 2.9

#### *Estimated Accession Rate—December, 1960 to November, 1961*

| Month                                   | Rate of accession in |               |             |
|---|----------------------|---------------|-------------|
|   | • Large Estates      | Small Estates | All Estates |
| (1)                                     | (2)                  | (3)           | (4)         |
| December, 1960 .. .. .                  | 0.3                  | 2.1           | 1.0         |
| January, 1961 .. .. .                   | 0.4                  | 1.7           | 0.9         |
| February, 1961 .. .. .                  | 1.0                  | 0.8           | 0.9         |
| March, 1961 .. .. .                     | 1.3                  | 1.6           | 1.2         |
| April, 1961 .. .. .                     | 0.8                  | 3.3           | 1.6         |
| May, 1961 .. .. .                       | 4.4                  | 18.2          | 9.1         |
| June, 1961 .. .. .                      | 1.3                  | 8.1           | 3.7         |
| July, 1961 .. .. .                      | 1.9                  | 4.8           | 3.0         |
| August, 1961 .. .. .                    | 1.2                  | 1.3           | 1.2         |
| September, 1961 .. .. .                 | 0.4                  | 3.0           | 1.4         |
| October, 1961 .. .. .                   | 1.4                  | 1.6           | 1.5         |
| November, 1961 .. .. .                  | 0.3                  | 2.7           | 1.2         |
| Average (Dec., 1960—Nov., 1961) .. .. . | 1.2                  | 3.9           | 2.2         |

### STATEMENT 2.10

#### *Estimated Separation Rate—December, 1960 to November, 1961*

| Month                                   | Rate of separation in |               |             |
|---|-----------------------|---------------|-------------|
|   | Large Estates         | Small Estates | All Estates |
| (1)                                     | (2)                   | (3)           | (4)         |
| December, 1960 .. .. .                  | 0.5                   | 2.0           | 1.1         |
| January, 1961 .. .. .                   | 0.7                   | 3.6           | 1.8         |
| February, 1961 .. .. .                  | 3.2                   | 4.4           | 3.7         |
| March, 1961 .. .. .                     | 3.7                   | 15.0          | 7.7         |
| April, 1961 .. .. .                     | 4.6                   | 11.1          | 6.8         |
| May, 1961 .. .. .                       | 1.9                   | 5.1           | 3.0         |
| June, 1961 .. .. .                      | 2.8                   | 3.7           | 3.1         |
| July, 1961 .. .. .                      | 1.0                   | 2.0           | 1.4         |
| August, 1961 .. .. .                    | 1.8                   | 1.7           | 1.7         |
| September, 1961 .. .. .                 | 1.4                   | 2.7           | 1.8         |
| October, 1961 .. .. .                   | 1.1                   | 2.9           | 1.7         |
| November, 1961 .. .. .                  | 1.0                   | 1.5           | 1.1         |
| Average (Dec., 1960—Nov., 1961) .. .. . | 2.0                   | 4.6           | 2.9         |

The above figures indicate that the rate of accession and separation in the industry, as a whole, was of the order of nearly 2 and 3 per cent. respectively. Accession and separation rates were invariably

higher in small estates than in large ones. It may be pointed out that the data relate only to permanent, probationers and temporary workers and exclude casual labourers. Obviously if casual workers are also taken into account the turnover rate would have been fairly high since nearly 14 per cent. of the working force in large estates and 17 per cent. in small estates consisted of casual workers who were engaged during the busy season and their services were terminated as soon as the work for which they were engaged was over.

The Bureau very much desired to collect data relating to causes of separation but it was generally observed that the managements did not maintain the relevant records. The information, therefore, had to be collected only on the basis of version of the managements. The information so collected is presented in the following Statement:—

#### STATEMENT 2.11

#### *Separations by Causes in Coffee Plantations during December, 1960 to November, 1961*

| Size                  | Causes of separations         |        |                           |        |
|-----------------------|-------------------------------|--------|---------------------------|--------|
|                       | Discharge<br>or<br>Dismissals | Quits* | Retirement<br>or<br>Death | Others |
| (1)                   | (2)                           | (3)    | (4)                       | (5)    |
| Large Estates .. .. . | 22.2                          | 75.4   | 2.4                       | —      |
| Small Estates .. .. . | 4.3                           | 95.2   | 0.5                       | —      |
| All Estates .. .. .   | 12.0                          | 86.7   | 1.3                       | —      |

\*Quits are termination of employment initiated by employees because of acceptance of jobs elsewhere, dissatisfaction, marriage, maternity, ill-health, unauthorised absence, etc.

The chief cause of separations reported by managements was 'quits' accounting for as much as 87 per cent. of the separations. Next in the order of importance was 'discharge or dismissals' which constituted 12 per cent. Retirement or death was almost an insignificant cause of separations.

#### 2.13. Recruitment

The findings of the Survey reveal that there has been a noticeable change in the system of recruitment in coffee plantations since the Labour Investigation Committee conducted their investigation. Probably ever since the beginning of the coffee plantations in the country employers depended entirely on *Kanganies*, or *Mistries* for their entire supply of labour. The *Kanganies*, who were generally drawn from the ranks of workers themselves, acted as intermediaries. The employees used to intimate their requirement to *Kanganies* and paid them some advance money, depending upon the number of workers required. The *Kanganies* collected the required number of workers from various places, very often quite far off, and brought them to the estates. Workers brought by a particular *Kangani* worked under his supervision and the employer paid commission (at times called head money) to the *Kangani* generally on the basis of earnings for the number of days worked by the workers brought by him. The

system naturally led to various abuses and was the subject of severe criticism by the Labour Investigation Committee. The question of abolition of this system was specially discussed in the 3rd session of the Industrial Committee on Plantations in 1950. On the basis of the deliberations of the Committee and in consultation with the State Governments, the Government of India formulated a scheme limiting the number of workers under each *Kangani* to 40 and providing for the establishment of estate gangs. They also suggested various other measures with a view to curbing or eradicating the evil. In Madras State, an agreement, known as 'Valparai Agreement' was reached between employers and the representatives of *Kanganyies* in 1958 for the abolition of the *Kangani* system. *Kanganyies* were absorbed as Labour Supervisors and those who were unwilling to continue were allowed to retire after getting compensation as agreed to by the parties. At the time of the Survey, the system had ceased to exist in coffee plantations in Madras.

In Mysore also, individual employers entered into agreements with *Kanganyies* under which *Kanganyies* were either absorbed as Labour Supervisors or were paid compensation if they were reluctant to continue in service as Labour Supervisors. Thus, the *Kangani* system was found to have been abolished in Mysore State also.

As regards Kerala, a committee consisting of representatives of employers and *Kanganyies* under the chairmanship of Shri Bala Gangadhar Menon was appointed in 1957. The Committee suggested total abolition of the *Kangani* system with effect from 1st April, 1959 and made certain recommendations for the rehabilitation of the *Kanganyies* and payment of compensation to those *Kanganyies* who were not willing to continue in the estate. The recommendations of the Committee were accepted by the State Government with some modifications in December, 1959. However, the employers did not agree to implement them and the matter was still under consideration at the time of the Survey.\* However, managements of several estates had concluded individual agreements by which their old *Kanganyies* were either rehabilitated as Labour Supervisors or were paid compensation if they did not agree to continue in service as Labour Supervisors.

The Survey results show that out of the total† estimated working force of about 69 thousands on 30th November, 1961 in coffee plantations, nearly 56 per cent. had been recruited directly by the managements and about 43 per cent. were those recruited by *Kanganyies* or *mistries*. An insignificant proportion of workers were recruited through head office of the estates or through departmental heads. The proportion of workers recruited directly by the managements was as high as 72 per cent. in small estates as against only 46 per cent. in the case of large estates. The reason for the high proportion of workers recruited through *Kanganyies* in large estates is probably due to the fact that many of the old workers who were recruited through *Kanganyies* were continuing in service.

\*It is now understood that in September, 1962 an agreement was reached between the parties through the agency of the Plantations Labour Committee, and the *Kangani* system no longer exists in the State.

†Relate to workers covered under the Plantations Labour Act only.

#### **2.14. Regulation of Employment of Casual Workers**

The practice of employing casual labour was in vogue in coffee plantations but there was no regular or *ad hoc* arrangement to systematise or to regulate their employment. Casual labour was engaged according to the needs of managements and final absorption of the persons into the permanent cadre was at the discretion of the managements.

#### **2.15. Training and Apprenticeship**

In coffee plantations, not much skill is required for any operation. This probably explains the reason why in none of the estates surveyed there was any system of training or apprenticeship. The little required know-how was acquired by the workers by associating themselves with the old workers who had been on the job for some time.

## CHAPTER III

### WAGES AND EARNINGS

#### 3.1. *Minimum Wages in Coffee Plantations*

Till the time of the enquiry of the Labour Investigation Committee and for a few years thereafter wage rates of workers in coffee plantations were governed by mutual agreements between workers and employers. As a result, time-rates of wages were generally uniform in various plantation districts. The Labour Investigation Committee reported that in 1944 the daily rates of wages in the industry were 6 annas (Re. 0.37) for men, 5 Annas (Re. 0.31) for women and 2 to 4 annas (Re. 0.12 to Re. 0.25) for children. The rate was higher (Re. 0.44) in consolidated coffee estates in Coorg.

There have been gradual increases in the rates of wages of the workers during the subsequent years by mutual agreements. The most significant event in the revision of wages in the industry was the application of the Minimum Wages Act, 1948, to the Plantation Industries in 1952. This brought workers of coffee plantation within the purview of statutory regulation. All the State Governments, i.e., Mysore, Madras and Kerala immediately fixed minimum rates of wages for the workers employed in the Coffee Plantation Industry. The wage rates fixed in 1952 in the three States did not undergo any change until October, 1956 in Madras, May, 1957 in Mysore and November, 1957 in Kerala. In the case of Mysore, the rates were again revised in 1960 and in other States there was no further revision till the time of the Survey. The revisions discussed above were as a result of memoranda of settlement under the Industrial Disputes Act, 1947 in all the three States. Thus, the time rates of wages, which were prevalent at the time of the Survey, were as follows:—

| Rate of wages per day (in Rs.)   |      |       |             |          |
|--|------|-------|-------------|----------|
|  | Men  | Women | Adolescents | Children |
| <i>(a) Mysore</i>  |      |       |             |          |
| (1) Estates having less than 50 planted acres.   | 1.53 | 1.12  | 0.95        | 0.80     |
| (2) Estates having 50 planted acres or more.   | 1.62 | 1.23  | 1.00        | 0.80     |
| <i>(b) Madras</i>  |      |       |             |          |
| (1) Estates having more than 300 planted acres in all districts other than those in Madurai district and Shevoroyas in Salem district. | 1.56 | 1.16  | 0.94        | 0.72     |
| (2) Estates in Madurai district and Shevoroyas   | 1.37 | 1.16  | 0.94        | 0.72     |
| <i>(c) Kerala*</i>   |      |       |             |          |
|  | 1.72 | 1.31  | 1.00        | 0.85     |

\*In estates situated in the Wynad area, which was formerly in Madras State, the rates applicable to Madras were continued by an agreement.

The revisions of wages discussed in the foregoing paragraphs relate to workers other than those termed as 'staff'. For staff members, there were different scales of pay for the various categories in

the States of Mysore, Madras and Kerala. As a result of an agreement arrived at between the United Planters' Association of Southern India (representing member-estates in the three States) and the Estates Staff Union of Southern India (representing the staff employed in the three States) on 28th October, 1957, the scales of pay for the various categories were revised. This agreement, which was ratified by the State Associations of employers by a separate agreement in Kerala, Mysore and Madras, fixed the scale of pay of a junior clerk at Rs. 40—3—70—4—90. The agreement also provided for fixation of scales of pay for the different categories of estates, e.g., large estates, medium and small estates. There was also a provision in the agreement for the payment of gratuity, increased contributions of provident fund, etc. This agreement was in force at the time of Survey in the different States.

### 3.2. Wage Revisions

Data collected during the Survey regarding wage revision since 1956 indicate that there were wage revisions in all the large estates. In the case of small estates, however, only in 82 per cent. of the estates, wage revision was reported. The units which did not report any wage revision were small estates located in the interior places. These estates were not members of the employers' associations and hence they were giving only the minimum wages fixed in 1952. Such instances were particularly noticed in Mysore State. In all other centres, large as well as small, the wage rates were governed by the agreements arrived at between the parties in their respective States.

### 3.3. Pay Periods

With the application of the Payment of Wages Act, 1936 to Plantations since 1947, the pay period of plantation workers has been regulated. Data collected during the Survey indicate that the system of settling wages once in a month was predominant in large as well as small estates. The following Statement 3.1 gives details:—

#### STATEMENT 3.1

*Estimated Distribution of Workers According to their Pay Period—November, 1961.*

| Size                | Estimated number of workers* | Percentage of workers whose pay period was |           |      |        |     |
|---------------------|------------------------------|--|-----------|------|--------|-----|
|                     |                              | Month                                      | Fortnight | Week | Others |     |
|                     |                              |  |           |      | Year   | Day |
| (1)                 | (2)                          | (3)  | (4)       | (5)  | (6)    | (7) |
| Large Estates .. .. | 43,053                       | 84.4                                       | —         | 14.8 | —      | 0.8 |
| Small Estates .. .. | 25,973                       | 74.5                                       | 3.2       | 18.5 | 2.9    | 0.9 |
| All Estates .. ..   | 69,026                       | 80.7                                       | 1.2       | 16.2 | 1.1    | 0.8 |

\*Relate to workers covered under the Plantations Labour Act only.

It is estimated that nearly 81 per cent. of the workers in the industry received their wages once in a month and about 18 per cent. received their dues at shorter intervals. A very negligible proportion

of workers received their wages once in a year even though the Payment of Wages Act specifically bans pay periods to be longer than a month. The units where such a system existed were very few and quite small and were situated in the *mofusil* areas. It was reported by the managements that they gave advances frequently to the workers according to their needs but the final settlement was done only when the picking season was over.

### 3.4. Average Daily Earnings

#### 3.4.1 All workers

In view of the fact that a detailed Occupational Wage Survey was conducted by the Bureau in 1958-59, no attempt was made in the course of this Survey to collect data pertaining to earnings of workers by occupations. However, some statistics pertaining to earnings of broad groups of workers, e.g., all workers (i.e., all those covered under the Plantations Labour Act), all production workers (separately for men, women, adolescents and children), lowest paid workers, clerical employees and watch and ward and other related workers were collected. The information so collected is presented in the following Statement 3.2. For maintaining comparability of the data, information relating to earnings was collected for one pay period immediately preceding 30th November, 1961.

#### STATEMENT 3.2

#### *Estimated Average Daily Earnings of Workers—November, 1961*

(In Rupees)

| Size                | Average daily earnings of |                    |       |             |          |                              |
|---------------------|---------------------------|--------------------|-------|-------------|----------|------------------------------|
|                     | All<br>Workers            | Production workers |       |             |          |                              |
|                     |                           | Men                | Women | Adolescents | Children | All<br>production<br>workers |
| (1)                 | (2)                       | (3)                | (4)   | (5)         | (6)      | (7)                          |
| Large Estates .. .. | 1.61                      | 1.95               | 1.30  | 1.08        | 0.80     | 1.60                         |
| Small Estates .. .. | 1.53                      | 1.79               | 1.22  | 1.01        | 0.78     | 1.48                         |
| All Estates .. ..   | 1.58                      | 1.89               | 1.27  | 1.06        | 0.79     | 1.56                         |

The average daily earnings of 'all workers' in coffee plantations in the country worked out to Rs. 1.58 in November, 1961. The average earnings were more (Rs. 1.61) in large estates than in the small estates (Rs. 1.53).

#### 3.4.2 Production Workers

Among production workers, the average daily earnings were Rs. 1.56 in the country as a whole, the corresponding figures for large and small estates being Rs. 1.60 and Rs. 1.48 respectively.

Women workers earned, on an average, Rs. 1.27 per day, while adolescents and children received Rs. 1.06 and Re. 0.79 per day respectively. Men invariably earned more than women.



### 3.4.3 Lowest Paid Workers

The following Statement 3.3 shows the Earnings of Workers in the lowest-paid category among production workers.

#### STATEMENT 3.3

#### *Estimated Average Daily Earnings of Lowest-Paid Workers— November, 1961*

(In Rupees)

| Size                | Men  | Women | Adolescents | Children | All  |
|---------------------|------|-------|-------------|----------|------|
| (1)                 | (2)  | (3)   | (4)         | (5)      | (6)  |
| Large Estates .. .. | 1.63 | 1.20  | 1.05        | 0.81     | 1.44 |
| Small Estates .. .. | 1.63 | 1.25  | 1.02        | 0.91*    | 1.41 |
| All Estates .. ..   | 1.63 | 1.23  | 1.01        | 0.86     | 1.43 |

\*In some of the small estates children were employed for the same type of work and were required to put the same number of hours as adults. They were paid the same wages as paid to adults. Therefore, their average earnings are high in small estates as compared to large ones.

The lowest paid workers in coffee plantations are 'field labour'. As has been mentioned earlier, those employed as 'field labour' are expected to attend to any work assigned to them such as weeding, manuring or even have to work as watchmen. Their minimum rates of wages were the same.

#### 3.4.4. Earnings of Clerical and Watch and Ward Staff

In the course of the Survey data were also collected concerning earnings, without break up by components, of clerical staff and persons employed to perform watch and ward and other services. The results are given in the following Statement:

#### STATEMENT 3.4

#### *Average Daily Earnings of Clerical and Watch and Ward Staff in Coffee Plantations—November, 1961*

(In Rupees)

| Size                | Clerical and Related Workers (including Supervisory) | Watch and Ward and Other Services |
|---------------------|--|-----------------------------------|
| (1)                 | (2)  | (3)                               |
| Large Estates .. .. | 7.53   | 1.70                              |
| Small Estates .. .. | 4.09   | 1.56                              |
| All Estates .. ..   | 6.07   | 1.68                              |

The average daily earnings of clerical staff were much higher (Rs. 6.07) when compared with the average earnings of production workers which were Rs. 1.56 in the industry as a whole.

### 3.5 Components of Earnings

The following Statement 3.5 gives the earnings by components of all workers in coffee plantations in the country.

#### STATEMENT 3.5

#### *Estimated Average Daily Earnings by Components of All Workers during November, 1961*

(In Rupees)

| Size          |    |    | Basic earnings<br>(Basic + D.A.) | Production bonus | Night shift allowance | House rent allowance | Transport allowance |
|---------------|----|----|----------------------------------|------------------|-----------------------|----------------------|---------------------|
| (1)           |    |    | (2)                              | (3)              | (4)                   | (5)                  | (6)                 |
| Large Estates | .. | .. | 1.54<br>(95.65)                  | 0.01<br>(0.62)   | *                     | *                    | *                   |
| Small Estates | .. | .. | 1.49<br>(97.39)                  | 0.01<br>(0.65)   | ..                    | ..                   | ..                  |
| All Estates   | .. | .. | 1.52<br>(96.20)                  | 0.01<br>(0.63)   | *                     | *                    | *                   |

(In Rupees)

| Size          |    |    | Overtime       | Food grain concession | Other cash allowances | Other concessions in kind | Total            |
|---------------|----|----|----------------|-----------------------|-----------------------|---------------------------|------------------|
| (1)           |    |    | (7)            | (8)                   | (9)                   | (10)                      | (11)             |
| Large Estates | .. | .. | 0.01<br>(0.62) | 0.01<br>(0.62)        | 0.04<br>(2.49)        | *                         | 1.61<br>(100.00) |
| Small Estates | .. | .. | *              | 0.01<br>(0.65)        | 0.02<br>(1.31)        | *                         | 1.53<br>(100.00) |
| All Estates   | .. | .. | *              | 0.01<br>(0.63)        | 0.03<br>(1.90)        | 0.01<br>(0.64)            | 1.58<br>(100.00) |

NOTE—Figures in brackets are percentages to total in col. (11).

\*Indicates that the amount was less than Rs. 0.005.

#### 3.5.1 Basic Earnings

Basic earnings i.e., consolidated wages or basic wage and dearness allowance, wherever it was paid separately, constituted the bulk, accounting for as much as 96 per cent. of the total daily earnings of a worker in the industry in the country. Excepting persons employed for supervisory jobs or clerical work (termed as 'staff'), all workers in the sampled estates were found to be getting only consolidated wages.

#### 3.5.2 Dearness Allowance

Only the initial minimum rates of wages fixed under the Minimum Wages Act by the State Governments of Mysore and Kerala

provided for payment of dearness allowance, as a separate component. Subsequent revisions that took place in 1958 fixed only an all inclusive wage. As regards Madras, the minimum wage fixed in 1952 was only at the consolidated rates. Thus, the position, as at the time of the Survey, was that all workers, other than those termed as staff, were in receipt of consolidated wages only.

Dearness allowance was being paid to staff members since 1947 at the rates notified by the United Planters' Association of Southern India. The rate of dearness allowance was fixed according to the slab of basic pay as per the details given in Statement 3.6. These rates have been in force since 1947 and there has been no change since then.

### STATEMENT 3.6

#### *Rate of Dearness Allowance for Staff Workers in 1961*

| Range of basic pay    | Rate of dearness allowance per month (Rs.) |
|-----------------------|--|
| (1)                   | (2)  |
| Up to Rs. 41 .. .. .  | 33   |
| Rs. 42 and 43 .. .. . | 34   |
| Rs. 44 and 45 .. .. . | 35   |
| Rs. 46 and 47 .. .. . | 36   |
| Rs. 48 to 50 .. .. .  | 37   |
| Rs. 51 and 52 .. .. . | 38   |
| Rs. 53 and 54 .. .. . | 39   |
| Rs. 55 to 57 .. .. .  | 40   |
| Rs. 58 and 59 .. .. . | 41   |
| Rs. 60 to 62 .. .. .  | 42   |
| Rs. 63 to 65 .. .. .  | 43   |
| Rs. 66 and 67 .. .. . | 44   |
| Rs. 68 to 70 .. .. .  | 45   |
| Rs. 71 to 73 .. .. .  | 46   |
| Rs. 74 and 75 .. .. . | 47   |
| Above Rs. 75 .. .. .  | 47*  |

#### 3.6 Production/Incentive Bonus

This item constituted practically a negligible proportion of the daily earnings of workers in the industry as a whole. The system of paying an extra allowance, called extra picking allowance, was in vogue in a few units in Mysore State. According to this system, norms were fixed for the quantity of coffee to be picked during a day of 8 hours. The norms fixed varied between the different areas. Generally, they varied from 1 to 1½ bushels† of coffee according to the type of

\*Those drawing more than Rs. 75 per month as basic pay were entitled to an extra dearness allowance calculated at the rate of Re. 0.12 for each additional rupee of basic pay when the Consumer Price Index Number for Madras city was above 200.

†One bushel is equal to 40 lbs.

coffee. If a worker picked more than the norm, he was generally allowed an extra amount at the rate of Re. 0.75 per every additional bushel picked. Even if a worker picked less than the norm fixed he got the minimum wage. Like the norms, the rates fixed also varied not only from area to area but even from unit to unit within a district.

### 3.7. Other Cash Allowances

Next to basic earnings, this group was the most important and accounted for nearly 2 per cent. of the total daily earnings of a worker. Under this head, the main items were: (1) servant allowance, (2) *kangani* commission, (3) food grain allowance, and (4) fuel allowance.

#### 3.7.1 Servant Allowance

Servant allowance was being paid in almost all the estates in the large size and in about 11 per cent. of the small size group to monthly-rated employees who were termed as 'staff' and the sum paid was usually Rs. 35 per month.

#### 3.7.2. Kangani Commission

Though, as mentioned in Chapter II, attempts have been made in recent years to abolish *Kangani* system, in about 8 per cent. of the estates, *Kanganies* who had brought labour for the estates, were paid some commission. This commission was paid to each *Kangani* usually at the rate of 1 anna (Re. 0.06) per day of attendance of each such worker brought by him who was still in the service of the estate.

Other items such as foodgrain concession or other concessions in kind constituted only a negligible proportion of the average daily earnings of a worker.

#### 3.7.3. Bonus

None of the estates surveyed had any scheme of profit-sharing bonus. However, it is estimated that the system of paying an annual bonus (year-end bonus) was in vogue in nearly 57 per cent. of the coffee estates in the country. The practice was reported in about 91 per cent. of the large estates; while among small estates only about 45 per cent. were paying such a bonus. The rate of payment of bonus in the case of workers (i.e., other than the staff) was generally being decided in tripartite meetings each year and the agreement reached was recorded in the form of a memorandum of settlement under the Industrial Disputes Act, 1947. The rate of payment, which was usually expressed as a percentage of basic earnings, differed from year to year in the different States. In Mysore, it varied from 4 per cent. in 1954 to 9 per cent. in 1960-61. In Madras the rate varied from 4 per cent. in 1947 to 6½ per cent. in 1956. After 1956, there were different rates, i.e., 6½ per cent. for estates having 150 acres and above and 4½ per cent. for estates below 150 acres. In Kerala, bonus payment was at the rate of 5 per cent. since 1957 till the time of the Survey in 1961-62.

For staff members, there has been no specific agreement for the payment of bonus. It has generally been paid at the discretion of the managements. The quantum of bonus ranged from 1 month's pay to 4 months' basic pay of employees.

There were practically no conditions attached to the payment of bonus either to workers or members of staff.

#### 3.7.4. *Way Expenses*

The Survey shows that there was a wide-spread practice of paying way expenses to workers as well as staff members once in a year for going to their native places on earned leave. It is estimated that in 1961 such a practice existed in nearly 52 per cent. of coffee plantations. The percentage of estates paying way expenses was 85 in the case of large estates, while it was only 48 among the small ones. The payment made to staff was regulated by an agreement entered into between employees represented by the Estates Staff Union of Southern India and employers represented by the United Planters' Associations of Southern India in 1957. Under this agreement, members of the staff are entitled to travelling expenses at the rate of Re. 0.04 per mile for self and wife, if receiving less than Rs. 50 as basic pay per month, and Re. 0.08 if receiving as basic pay of Rs. 50 or more per month. The mileage counted is for journey from estate to the registered home address of the employee and back. Payment for wife is subject to her residing in the estate. Payment to workers was not regulated by any agreement. However, the estates, where the system was prevalent, were found to be paying the actual rail or bus fare for one way journey either from estate to workers' native place or *vice-versa* for the worker alone. It was also noticed that in a few estates workers were given way expenses at a flat rate ranging from Rs. 3 to Rs. 12 once in a year.

#### 3.8. *Fines and Deductions*

The system of imposing fines was not found to be in vogue in the industry. Deductions wherever made, were only those which were authorised under the Payment of Wages Act. Deductions generally related to provident fund, weekly advances, etc.

## CHAPTER IV

### WORKING CONDITIONS

When the Labour Investigation Committee conducted their investigation in coffee plantations in 1944-45, there was no law in the country\* for regulating the conditions of work of plantation labour. The Committee reported that the conditions varied enormously from place to place. Consequently, they recommended enactment of a Plantation Labour Code by the Government of India. The recommendation was accepted and in 1951 a Plantations Labour Act was passed, which covered not only working conditions but other aspects as well. Thus, when the present Survey was conducted there was a law for regulating working conditions. The findings of the Survey relating to working conditions in coffee plantations are discussed below.

#### 4.1. Hours of Work

The Plantations Labour Act prescribes only weekly hours of work and provides that in the case of adult workers it should not exceed 54. The Survey results show that in almost 99 per cent. of the coffee plantations the weekly hours of work for adults ranged from 41 to 50 hours. The daily hours of work were usually 8, but in a few cases workers were required to work up to 8½ hours a day. Such instances were, however, few and in a majority of the units the daily hours of work, excluding rest interval, were only 8.

The weekly hours of work prescribed in the Plantations Labour Act for adolescents and children are 40. The Survey results show that adolescents were employed in 25 per cent. of the coffee estates in the country as a whole; of these, nearly 53 per cent. had weekly hours of 40 or less for adolescents and in the rest (47%), the weekly hours of work ranged from 41 to 50, i.e., more than the limit prescribed by the Act.

Children were found to be engaged in 37 per cent. of the coffee estates in the country as a whole. Of these, nearly 42 per cent. had weekly hours of 40 or less and in the remaining units (58%) weekly hours of work ranged from 41 to 50. Thus, it will be seen that in the matter of weekly hours for adolescents and children, compliance with the law was only partial. The units where the violations were noticed were mostly in Mysore State.

The Plantations Labour Act stipulates that the spread-over of hours of work, including the rest interval, should not exceed 12 hours in a day. Data collected during the Survey show that there was compliance of this provision by all the units. In fact, the spread-over of hours of work, including the rest interval, for adults was usually 9 in about 85 per cent. of the units in the industry. It was only 8½ hours in 4 per cent., only 8 hours in 5 per cent., less than 8 hours in 2 per cent. and more than 9 but up to 9½ hours in 4 per cent. of the units in the industry.

\*It was only in the former Cochin State that there were Plantations Labour Rules administered by the State of Cochin since 1st May, 1937.

As regards rest interval, it was observed that in the industry as a whole, 95 per cent. of the coffee estates were giving rest interval of  $\frac{1}{2}$  to 1 hour to their employees. In nearly 3 per cent. of the estates, there was a rest interval of more than 1 hour and in the rest there was no rest interval at all. Even though the Plantations Labour Act stipulates that there should be a rest interval of at least half an hour after 5 hours of work, it would appear that there was violation with regard to rest interval in about 2 per cent. of the coffee estates in the country as a whole.

#### 4.2. Task System

In the context of the discussion of daily hours of work, it may be mentioned that in coffee plantations there is a system of task work. At the time of the enquiry by the Labour Investigation Committee, there was no regulation of hours of work and therefore the length of the working day of workers depended upon the task assigned. At the time of the present Survey also, the task system prevailed. However, the tasks were now being fixed generally by managements in consultation with workers or their unions. The tasks were so fixed that they could be completed within the hours specified under the Act. Any worker who completed his day's task was free to go home irrespective of the fact whether the working hours were over or not.

#### 4.3. Conservancy

When the Labour Investigation Committee conducted an investigation into the conditions of plantation workers, there were generally no conservancy arrangements in the fields where workers worked throughout the day. The Committee in their report\* strongly recommended the need for appropriate arrangements specially for safeguarding workers against hookworms. Largely as a result of the recommendations of the Committee a specific provision was incorporated in the Plantations Labour Act under which it is incumbent on the managements to provide sufficient number of latrines and urinals, separately for men and women, so situated as to be convenient and accessible to workers. The Act also requires that the latrines and urinals should be maintained in a clean and sanitary condition. The State Governments were empowered by the Act to prescribe the scale and standard of latrines and urinals. The rules framed by the Governments of Mysore, Madras and Kerala require every plantation to provide latrines on the scale of one for every 50 acres of the area under cultivation or part thereof subject to the condition that there is at least one latrine each for either sex. The rules also stipulate that latrines, other than those connected with an efficient water-borne sewage system, should comply with the requirements of Public Health authorities.

The Survey results reveal that in the country as a whole only one per cent. of the coffee estates had provided latrines for their workers at work places of the estates. Wherever latrines were provided, they were of 'dry-type bore hole'. In the matter of providing urinals, the Survey reveals that none of the sampled units had made

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\*Report on an Enquiry into Conditions of Labour in Plantations in India by D.V. Pege I.C.S., pp. 161-162.

any provision. The main reason for the non-provision of conservancy arrangements as per the Act seems to be the practical difficulties of managements. Some of the employers were of the view that latrines were required to be provided only in the lines, i.e., where the quarters for workers had been provided. It was understood from discussion with State officials by the Field Staff that provision of latrines was being insisted upon only in lines and not at work-places. It was also understood from the managements that the practical difficulties relating to the construction of latrines and urinals in the field were discussed at the meetings of the Plantations Advisory Boards and there appeared to be no objection to the proposal of having latrines only in the lines, i.e., where the workers are housed.

#### 4.4. *Leave and Holidays With Pay*

When the Labour Investigation Committee conducted a detailed enquiry into the conditions of plantation workers in 1944-45, there was practically no system of holiday with wages. With the enactment of the Plantations Labour Act, 1951 workers employed in plantations are now entitled to annual leave (earned leave) as well as sick leave with wages under certain conditions. As a result of certain Acts passed by the Governments of Kerala and Madras workers are also entitled to certain national and festival holidays with pay. Thus, the only type of leave for which there is no statutory provision is casual leave. Nevertheless, it was observed that some of the coffee estates had a system of granting casual leave to certain categories of employees. The following Statement 4.1 gives details of the various types of leave with pay granted to the workers in coffee plantations.

#### STATEMENT 4.1

##### *Percentage of Coffee Estates Granting Various Types of Leave With Pay, 1961-62*

| Size             |    | Number of estates* | Estimated Percentage of estates granting |              |            |                                |
|------------------|----|--------------------|--|--------------|------------|--------------------------------|
|                  |    |                    | Earned leave (i.e., annual leave)        | Casual leave | Sick leave | Festival and National Holidays |
| (1)              |    | (2)                | (3)                                      | (4)          | (5)        | (6)                            |
| Large Estates .. | .. | 217                | 100.0                                    | 59.9         | 88.9       | 100.0                          |
| Small Estates .. | .. | 611                | 78.6                                     | 10.8         | 31.3       | 82.8                           |
| All Estates ..   | .. | 828                | 84.2                                     | 23.7         | 46.4       | 87.3                           |

\*Number of estates given in this Statement relates to estates which were in the frame (1960) and which continued to exist during the time of the Survey, and therefore the figures do not tally with these in Statement 1.3.

##### 4.4.1. *Earned Leave*

The Plantations Labour Act stipulates that annual leave with wages shall be allowed at the rate of 1 day for every 20 days worked to every adult worker and at the rate of 1 day for every 15 days worked to young persons (i.e., adolescents and children). From the statistics



given above, it would appear that nearly 84 per cent. of the coffee estates in the country as a whole were granting earned leave to their employees. In fact, all the large estates were found to be granting earned leave but among small estates nearly 21 per cent. were violating the law. The defaulting estates were small establishments which did not have any regular working force but engaged casual labour as and when required. The rate of payment for the leave period was as per the provisions of the Plantations Labour Act in the case of workers other than members of 'staff'. Though most of the staff members came within the definition of 'worker' under the Plantations Labour Act, they were governed by the provision relating to leave mentioned in the 'Standing Orders' for the staff and therefore enjoyed better facilities. They were entitled to 30 days' leave in a year with full basic pay, dearness allowance, servant allowance, etc. after completing 11 months of service in the estate.

In order to have an idea about the extent of the benefit enjoyed by workers, data relating to the number of workers who availed of leave during the calendar year preceding the period of the Survey were collected and are presented in Statement 4.2 below.

#### STATEMENT 4.2

##### *Proportion of Workers Granted Earned Leave During 1961*

| Size             | Estimated<br>average<br>daily<br>number of<br>workers<br>employed<br>in 1961 | Estimated<br>percent-<br>age of<br>workers<br>who<br>enjoyed<br>leave in<br>1961 | Distribution of workers who enjoyed leave by<br>period of leave enjoyed (estimated<br>percentages) |                 |                  |                  |                  |                  |                 |  |
|------------------|--|--|--|-----------------|------------------|------------------|------------------|------------------|-----------------|--|
|                  |  |  | Up to 5<br>days  | 6 to 10<br>days | 11 to 15<br>days | 16 to 20<br>days | 21 to 25<br>days | 26 to 30<br>days | Over 30<br>days |  |
| (1)              | (2)  | (3)  | (4)  | (5)             | (6)              | (7)              | (8)              | (9)              | (10)            |  |
| Large Estates .. | 40,835   | 66.1   | 9.8  | 22.6            | 61.9             | 3.3              | 0.4              | 1.9              | 0.1             |  |
| Small Estates .. | 25,859   | 18.3   | 11.5   | 28.4            | 52.5             | 6.7              | —                | 0.9              | ..              |  |
| All Estates ..   | 66,694   | 47.5   | 10.0   | 23.5            | 60.5             | 3.8              | 0.4              | 1.7              | 0.1             |  |

The statistics given above reveal that nearly 48 per cent. of the workers employed in the industry as a whole enjoyed leave during 1961. The proportion of workers who enjoyed leave was above 66 per cent. in the case of large estates while it was only 18 per cent. among the small estates.

The low proportion of employees enjoying the benefits of earned leave in small estates seems to be due to the fact that in these estates the practice of paying wages *in lieu* of leave was widely prevalent, particularly in estates situated in Mysore State. The system which actually prevailed in coffee plantations was that workers were given wages *in lieu* of leave at the beginning of the off season, when there was no work at the estates. No leave register was maintained in a good number of estates in Mysore.

\*For definition of staff, please see P. 12.

#### 4.4.2. Sick Leave

The rules framed by the State Governments under the Plantations Labour Act, 1951 provide for the grant of sick leave with wages to the extent of 14 days in a year at the rate of two-thirds of the daily time-rated wages, subject to a minimum of annas twelve (Re. 0.75) per day. The condition for the grant of sick leave with wages is that sickness should be certified by the medical practitioner who has been appointed as the certifying surgeon by the estate. The Survey results show that about 89 per cent. of the large estates were complying with the provision relating to grant of sick leave but the percentage of such estates was only 31 among smaller ones. Thus the overall percentage of estates granting sick leave was 46. Most of the defaulting small estates employed very few workers and many of their employees did not even know their own rights with regard to sick leave. In some cases, where workers were aware of their rights, they could not enjoy it because no doctors were attached to the estates and the workers had to go to far off places to get a medical certificate.

As in the case of earned leave, staff members enjoyed better facilities in the matter of sick leave also. They were allowed one month's leave with wages on full pay, dearness allowance, etc.

#### 4.4.3. Casual Leave

The Survey results reveal that in the industry as a whole only about 24 per cent. of coffee plantations had the system of granting casual leave. The benefit was invariably restricted to monthly-rated workers termed as 'staff' and daily-rated workers did not enjoy this benefit as a rule. The number of days allowed as casual leave was 7 in a year with full basic pay, dearness allowance, etc.

#### 4.4.4. National and Festival Holidays

The State Governments of Kerala and Madras have passed a special law for the grant of national and festival holidays with pay to industrial workers including plantation workers. Both the Acts provide for the grant of 7 holidays in a year of which 15th August and 26th January, are compulsory. In Kerala, holiday on 1st May is also compulsory. Rest of the days are to be fixed by the Inspectors (appointed under the Act) in consultation with employers and workers. Wages for such holidays are payable to only those workers who put in at least a month's service and the rate of payment prescribed is the average daily wage during the month preceding the holiday. There was no such legal provision in Mysore. However, it was found that the general practice in the entire State, excluding the Coorg district, was to grant holidays with pay on the Independence Day and the Republic Day. In the Coorg district, however, grant of national and festival holidays was governed by an agreement between the workers and employers of coffee plantations. The agreement, which was signed by the parties in September, 1959, provided for the grant of 2 festival holidays in addition to paid holidays on the Independence Day and the Republic Day. Days on which festival holidays were to be allowed were left to the parties to decide by mutual consultation.

The Survey results show that all the large estates were granting national and festival holidays to workers employed in their plantations. As regards small estates about 83 per cent. of them had the system of granting national and festival holidays with pay. Estates which did not grant such holidays were very small having no regular labour force. Thus, in the industry in the country as a whole, the practice of allowing paid national and festival holidays was in vogue in about 87 per cent. of coffee estates.

#### 4.4.5. *Weekly Offs*

The system of allowing workers a day of rest in a week was prevalent in all the coffee plantations surveyed in the country. Since the law does not specifically provide for payment for such off days, workers in the industry, excepting those who were monthly-rated (i.e., staff), did not enjoy the off days with pay.

## CHAPTER V

### WELFARE AND AMENITIES

Welfare activities undertaken by the employers and various amenities provided to workers in coffee plantations are generally those which the employers are under a statutory obligation to provide under the Plantations Labour Act, 1951 and the rules framed thereunder. Data collected during the Survey on the various welfare items are discussed in the following paragraphs.

#### 5.1. *Drinking Water*

The law relating to this item requires every plantation to make effective arrangements for providing and maintaining, at convenient places in the plantation, a sufficient supply of wholesome drinking water for all workers. The rules framed by the State Governments prescribe conditions regarding the source of supply, storage of water, cleanliness, etc. The rules framed by the Governments of Mysore and Madras specifically require the employers to supply drinking water at work-sites at conveniently accessible points through *pani wallahs* or by tankers, etc. The rules framed by the Government of Kerala do not make any specific mention about distribution of drinking water at work-sites.

The Survey results show that only about 35 per cent. of coffee plantations in the country as a whole (or nearly 44 per cent. of large estates and about 31 per cent. of the small estates) had made arrangements for the supply of drinking water at work-sites. Most of the managements appeared to be under the impression that drinking water facilities need be provided only near workers' houses and not at convenient places at work-sites. Even though a specific provision exists in the rules framed by the Governments of Mysore and Madras regarding distribution of water at work-sites, this was not being followed in many estates in these States.

The predominant source of supply of water was tubewells or hand pumps or wells in about 42 per cent. of the estates, while in nearly 33 per cent. of the estates natural streams emanating from the hills were reported as sources of water supply. In only about 24 per cent. of the coffee estates, supply of water through taps was found to exist at the time of the Survey and in the rest of the units some buckets or drums were provided for the supply of drinking water.

#### 5.2. *Canteens*

The rules framed under the Plantations Labour Act, 1951 by the State Governments require every plantation, wherein 150 or more workers are ordinarily employed, to provide and maintain a canteen or canteens with facilities for sale of coffee, tea and snacks to workers on a no-profit no-loss basis. Coffee estates being mostly small, estates employing generally less than 100 workers, it is not surprising that in the country as a whole, only a negligible proportion\* of estates were under a statutory obligation to maintain canteens and all such

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\*0.5 per cent.

estates were in the large size group. They had complied with law by establishing canteens. In addition to these, a few estates, though not under any legal obligation had also provided canteens. Thus in the industry as a whole, only a negligible percentage\* of coffee estates had canteen facilities. Canteens maintained by these estates were mostly run by contractors although stray cases were noticed where they were run by the representatives of workers and the managements. Usually only coffee and tea were available in canteens. Items were sold in all the canteens at market rates only. The prices were fixed by the contractors or by those who run the canteens. In none of the canteens, there was any canteen managing committee. Such canteens as existed were no better than tea or coffee stalls.

### 5.3. Creches

Creches were almost non-existent in coffee plantations at the time of the Labour Investigation Committee. In view of high proportion of women in the industry the Committee recommended that maintenance of creche should be made compulsory for the estates. As a result of the recommendation of the Committee, a specific provision on the subject was incorporated in the Plantations Labour Act, 1951. Under the Act, it is obligatory for all plantations, including coffee plantations, which employ 50 or more women to provide and maintain suitable rooms for the use of children, below the age of six, of women workers. The rules framed by the State Governments under the Act prescribe the standards of creche and provide that children attending them should be supplied milk, refreshments clothes, soap, oil, etc. The data collected during the Survey in respect of creches are presented in the following Statement 5.1:—

**STATEMENT 5.1**  
*Creche Facilities in Coffee Plantations in 1961-62*

| Size          | Number of estates | Estimated Percentage of estates employing women | Percentage of estates which were under a statutory obligation to provide creches | Percentage of estates out of those in col. 4 which actually provided creches | Percentage of estates providing creches whether under obligation or not |
|---------------|-------------------|---|--|--|---|
| (1)           | (2)               | (3)   | (4)  | (5)  | (6)   |
| Large Estates | 217               | 100.0   | 63.6   | 68.8   | 45.6  |
| Small Estates | 611               | 95.7  | 3.4  | 65.0   | 4.5   |
| All Estates   | 828               | 96.9  | 19.7   | 68.4   | 15.6  |

NOTE—Percentages in col. (6) relate to total units employing women, i.e., col. (3).

It is evident from the Statistics given in Statement 5.1, that out of nearly 20 per cent. of the units which were under a statutory obligation to provide creche facilities, only about 68 per cent. had actually provided creches and in the rest there were no facilities at all. The main reasons adduced by the defaulting managements for

†About 2 per cent.

not providing creche facilities were that most of their women workers were employed on a casual basis and came from nearby villages; moreover they did not stick to their jobs. Hence the necessity of providing creche facilities was not felt. Some of the employers intimated that the creche was under construction.

None of the creches maintained by the estates, covered during the Survey, were found to be conforming to the standards prescribed by the law. In most cases, only a room without adequate arrangements for light, ventilation, etc., was kept with a few cradles for the use of children. No trained *ayah* was attached to creches to look after the children. The practice, which was noticed in most cases, was that one of the women workers was asked to look after the children by turn.

Supply of milk, refreshments, soap and towel was almost non-existent in any of the creches maintained by the sampled units. However, a few stray cases were noticed in Mysore State where coffee estates paid As. 2 (Re. 0.12) *in lieu* of milk for each child below the age of six. In rare cases, half a seer of rice was also given to each women worker, who had children below six years, as children's feeding allowance. Considering the fact that the industry engages a good number of women workers and work in plantations has to be done in open air, it is imperative that due attention is paid to this provision and proper maintenance of creche.

#### 5.4. Medical Facilities

In 1944-45, when the Labour Investigation Committee conducted an enquiry in plantations, the planters were under no obligation to provide medical facilities to their employees. The Committee reported that only a very few coffee estates had hospitals or dispensaries for the benefit of their workers. The usual practice, which was prevalent at the time of Labour Investigation Committee's enquiry, was that most of the coffee estates kept a stock of quinine and some tinctures for first-aid and the dispensing was either done by the Manager himself or by one of the subordinate staff. Since then, elaborate statutory provision has been made for ensuring proper medical aid to plantation workers. The rules framed under the Plantations Labour Act require every plantation employing 1,000 or more workers to have, wherever possible, its own Garden Hospital or to have a lien on beds at the rate of 15 beds per thousand workers in such hospitals in the neighbouring plantations or other hospitals, as may be approved by the Chief Inspector of Plantations. Those planters who choose the second alternative have the option to provide up to 5 detention beds in the dispensary under the supervision of a qualified doctor assisted by such staff as may be prescribed by the Chief Inspector. If such a dispensary is maintained, the managements can reduce proportionately the number of beds on which they should keep the lien. Those plantations which employ less than 1,000 workers and are situated within a reasonable distance from one another have the option to combine and provide joint hospitals/dispensaries and share their expenses. However, they have to submit full particulars of the type of arrangement they propose to make to the Chief Inspector and obtain his approval. The rules also lay down that those estates which employ more than 200 workers and provide combined hospitals, should wherever possible maintain their own dispensary. In every

estate, where a hospital or dispensary is not situated, the management is required to maintain a cup-board or first-aid box equipped with the prescribed contents. The cup-board or first-aid box is to be kept in charge of a trained first-aider. The rules further provide that those small inaccessible estates which employ 350 or less workers must have a dispensary with dentention beds of the prescribed number under the immediate care of a full-time qualified compounder but supervised and visited thrice a week by the nearest Garden doctor. Rules also prescribe the qualifications of doctors, nurses, etc., number of medical and auxiliary personnel to be appointed according to certain scales, number of beds, standard of the hospitals, equipments to be provided in the group as well as Garden Hospitals, periodical visits by the district Medical Officers to such hospitals, standard of medical facilities, etc. The Survey results show that in the industry in the country as a whole, only about 13 per cent. of the coffee estates had provided hospitals and/or dispensaries. The following Statement 5.2. gives the details of the types of facilities available in large and small estates.

STATEMENT 5.2  
*Medical Facilities in Coffee Plantations 1961-62*

| Size                | Number of estates | Percentage of estates having |              |                                   |                                      |   |
|---------------------|-------------------|------------------------------|--------------|-----------------------------------|--------------------------------------|---|
|                     |                   | Hospitals                    | Dispensaries | Hospitals as well as Dispensaries | Hospitals as well as first-aid boxes | Dispensaries as well as first-aid boxes |
| (1)                 | (2)               | (3)                          | (4)          | (5)                               | (6)                                  | (7)                                     |
| Large Estates .. .. | 217               | 3.7                          | 12.7         | 5.5                               | 3.6                                  | —                                       |
| Small Estates .. .. | 611               | —                            | 1.1          | —                                 | —                                    | 1.1                                     |
| All Estates .. ..   | 828               | 0.9                          | 4.1          | 1.4                               | 1.0                                  | 0.8                                     |

| Size                |  | Percentage of estates having                               |   |                      |   |  |                      |
|---------------------|--|--|---|----------------------|---|--|----------------------|
|                     |  | Dispensary as well as contract with nearby hospital/doctor | Dispensary, contract with nearby hospital and first-aid boxes | Only first-aid boxes | Only contract with nearby hospital/doctor | Contract with nearby hospital/doctor and first-aid boxes | No facilities at all |
| (1)                 |  | (8)  | (9)   | (10)                 | (11)                                      | (12)   | (13)                 |
| Large Estates .. .. |  | 14.6   | 1.8   | 1.8                  | 41.8                                      | 12.7   | 1.8                  |
| Small Estates .. .. |  | 1.1  | —   | 3.2                  | 67.7                                      | 14.0   | 11.8                 |
| All Estates .. ..   |  | 4.6  | 0.5   | 2.9                  | 61.0                                      | 13.6   | 9.2                  |

It will be seen that in nearly 91 per cent. of the units medical facilities were available in one form or the other. Only in about 9 per cent. of estates there were no facilities at all. The defaulters were mostly small estates and the main excuse given by such managements

was that there were Government hospitals in the nearby areas from where workers could get free treatment. As regards the type of medical facilities available, hospitals or dispensaries were provided mostly by the large estates while the most predominant arrangement in small estates was a contract with nearby hospitals or medical practitioners for the treatment of workers.

### 5.5. Recreation Facilities

There is no specific mention about the existence of recreation facilities in coffee plantations in the report of the Labour Investigation Committee. Perhaps nothing worth the mention was being done by employers in this regard at that time. However, in recognition of a somewhat peculiar nature of conditions of life and employment of persons engaged on plantations, the Plantations Labour Act has made it obligatory for employers to provide recreation facilities and has authorised State Governments to prescribe the standard of such facilities. In exercise of this power, the rules framed by the State Governments of Mysore, Madras and Kerala lay down that every employer should provide and maintain as near workers' quarters as possible, (1) recreation centres with provision for indoor games suitable for adult and child workers, and (ii) where adequate flat open space is available within a reasonable distance, a playground or playgrounds for adult and child workers with necessary sports equipment for outdoor games.

The Survey shows that in the country as a whole, nearly 33 per cent. of coffee estates had provided some recreational or cultural facilities to their workers. The proportion of estates providing such facilities was higher (53 per cent.) in large size group than in small estates where it was only about 26 per cent. The following Statement 5.3 gives details of the type of recreational or cultural facilities provided by the managements.

#### STATEMENT 5.3

#### *Proportion of Coffee Plantations Providing Recreational or Cultural Facilities—1961-62*

| Size          | No. of estates | Estimated percentage of coffee estates providing recreational and/or cultural facilities | Estimated distribution of estates in col. (3) according to type of facilities provided |                                       |   |   |
|---------------|----------------|--|--|---------------------------------------|---|---|
|               |                |  | Indoor games and religious functions   | Outdoor games and religious functions | Indoor and outdoor games as well as religious functions | Celebration of religious functions only |
| (1)           | (2)            | (3)  | (4)  | (5)                                   | (6)   | (7)                                     |
| Large Estates | 217            | 52.5   | 1.8  | 5.5                                   | 10.6  | 34.6                                    |
| Small Estates | 611            | 25.9   | —  | —                                     | —   | 25.9                                    |
| All Estates   | 828            | 32.8   | 0.5  | 1.4                                   | 2.8   | 28.1                                    |

It will be seen from the Statistics given in Statement 5.3 that only a few large estates provided recreational facilities in the form



of indoor games and outdoor games, etc., and nearly 35 per cent. of the large estates had arrangements for the celebration of religious festivals such as *Dusserah*, etc. In fact this was the only facility available in small estates.

The expenses of such activities were being met entirely by employers in almost all the estates.

#### 5.6. *Educational Facilities*

The mere fact that plantations are generally located in remote areas, cut off from civic centres, highlight the importance of arrangements for educational facilities. At the time the Labour Investigation Committee conducted their enquiry, planters were not under any legal obligation to provide such facilities. Nevertheless the Committee reported that only 6 sampled coffee estates, out of a total of 61 estates surveyed by them, had one school each. With the enactment of the Plantations Labour Act, it is now obligatory on all plantations, wherein workers' children between the ages of six and twelve exceed twenty-five, to make arrangements for the education of children free of charge. The rules framed by the State Government of Kerala exempts plantations from providing a primary school if there is a school run by the State Government or by a local body within a distance of 2 miles. A similar provision exists in the rules framed by the Madras and Mysore Governments but the distance for purposes of exemption is limited to one mile.

The Survey results show that only about 15 per cent. of the large estates (or about 4 per cent. of the estates in the industry as a whole) had provided primary schools for the education of the children of workers. In fact, not a single sampled unit in the small size group, had provided any school. However, it may be stated that where estates did not have any school of their own, schools in the adjoining areas run by the local bodies or State Governments were being utilised for the education of children of the plantation workers. Another reason for the absence of educational facilities in most of the coffee estates seems to be that in Mysore State, where the majority of coffee estates were located, the rules concerning educational facilities had not been implemented till the time of the present Survey.

Wherever schools were maintained, no fee was charged from the students. Instances where certain articles were supplied free to the children were noticed in only a very few cases. In stray cases, a subsidy was regularly given by the managements to school run by others.

#### 5.7. *Other Amenities*

The Survey results show that in nearly 2 per cent. of the estates there were grainshops for the sale of food grains to workers. Food grains were sold at cost price in nearly two-thirds of these estates and in the rest they were sold at subsidised rates. Co-operative credit societies were found to exist only in a very negligible proportion\* of the coffee estates in the country as a whole.

#### 5.8. *Protective Clothing*

Since workers in plantations have to work in open air, the Plantations Labour Act authorises the State Governments to make rules

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\*About one per cent.

requiring employers to provide workers with such number and types of umbrellas, blankets, rain coats or other like amenities for protection from rain or cold, as may be prescribed. All the three State Governments, viz., Madras, Kerala and Mysore had framed rules prescribing the number of *cumblies* (blankets), etc., to be supplied free by the planters to their workers. The Survey shows that all the large estates surveyed had complied with the law in this regard. The percentage of small estates providing protective clothing was about 78. Thus in the country as a whole, the percentage of such estates was about 84. The reason for the default on the part of small estates seems to be that they had no regular working force.

### 5.9. Housing

Due to the fact that plantations are generally located in remote areas and since most of the workers employed therein were, and to a certain extent are still being, brought from distant places, arrangements made for housing of plantation workers has always invited special attention. The Labour Investigation Committee had found that planters were providing free houses to all their employees except casual and local labour. However, in the absence of any law regulating the housing conditions of workers, the type of houses provided were found to vary from district to district and estate to estate. Since then elaborate regulations have now been framed on the subject and the Plantations Labour Act makes it obligatory on every employer to provide and maintain housing accommodation for every worker and his family residing in the plantation. With a view to avoiding imposition of a sudden burden, the rules framed by the State Governments under the Act require employers to construct suitable accommodation for at least 8 per cent. of the resident workers every year until all such workers have been adequately housed. Before any house is constructed the employer must submit a housing scheme to the Chief Inspector of Plantations giving such details as specification of the period during which accommodation is proposed to be provided, the type and design of the houses and the plan as well as the site plan of the buildings to be constructed.

The Act empowers State Governments to constitute Tripartite Advisory Boards to advise the State Governments as regards standards and specifications of houses which may be approved and all matters connected with the provision of the Act and the Rules relating to housing. The standard\* accommodation prescribed in Mysore is one living room (120 sq. feet), one multi-purpose room (84 sq. feet), one bath room (16 sq. feet) and one latrine (12 sq. feet). Standards have also been prescribed about the night of rooms, etc. In Kerala, the standard laid down requires each house to have a living room (120 sq. feet), a kitchen and a *verandah* in front as well as rear. In Madras the house should have one living room (120 sq. ft.), one kitchen inclusive of bath-cum-wash room and a *verandah*.

Data relating to housing in coffee plantations collected during the course of the present Survey show that managements of about 92 per cent. of the estates had provided housing accommodation to their employees in 1961-62. All the large coffee estates had provided

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\*This was prescribed in 1960. Prior to 1960, the standard prescribed was one living room, one *verandah* in the front, and kitchen with a bath *verandah*. There was no provision for latrine for each house, but latrines were provided for a line of some houses.

housing accommodation to their workers. Among small estates about 89 per cent. had provided houses and the rest had provided no accommodation at all. These estates were very small and the reasons adduced by the managements of such estates were that (i) all their employees were local people living in nearby villages in their own houses, or (ii) they had no regular work and hence no regular force and only during the season they employed some casual labour. The following Statement 5.4 shows the proportion of estates which provided housing accommodation in coffee plantations at the time of the Survey. In the industry as a whole, it is estimated that about 86 per cent. of the total workers employed had been housed by managements. The percentage of workers housed was higher (88 per cent.) in large estates than in small estates (82 per cent.).

## STATEMENT 5.4

*Estimated Proportion of Coffee Plantations Providing Housing Accommodation to their Employees in 1961-62*

| Size           | Number of estates | Estimated percentage of estates providing housing accommodation | Estimated percentage of estates providing housing accommodation to |  |  |                     | Estimated total number of persons employed in the industry as on 30-11-61* | Estimated percentage of workers [of col.(8)] who were housed by the management |
|----------------|-------------------|---|--|--|--|---------------------|--|--|
|                |                   |   | All workers (i.e., 100 per cent)                                   | Majority of workers (i.e., 50 to 99 per cent.) | Few workers (i.e., below 50 per cent.) | None of the workers |  |  |
| (1)            | (2)               | (3)   | (4)  | (5)  | (6)                                    | (7)                 | (8)  | (9)  |
| Large Estates  | 217               | 100.0   | 69.1   | 27.2   | 3.7                                    | —                   | 43,053   | 88.5   |
| Small Estates  | 611               | 89.2  | 67.8   | 16.0   | 5.4                                    | 10.8                | 25,973   | 81.9   |
| All Estates .. | 828               | 92.0  | 68.1   | 19.0   | 4.9                                    | 8.0                 | 69,026   | 86.0   |

\*Relate to workers covered under the Act only.

5.9.1. *Type of Houses*

On the basis of the data collected, it is estimated that there were about 29 thousand houses in coffee plantations in the country in 1961-62. Statement 5.5 gives the classification of houses by the nature of their construction and the type of accommodation.

## STATEMENT 5.5.

*Classification of Houses Provided to Workers in Coffee Plantations—1961-62*

| Size             | Estimated Number of houses provided | Percentage of houses according to |        |         |                        |         |         |                   |
|------------------|-------------------------------------|-----------------------------------|--------|---------|------------------------|---------|---------|-------------------|
|                  |                                     | Nature of construction            |        |         | Type of accommodation† |         |         |                   |
|                  |                                     | Pucca                             | Kutcha | Others* | 1 room                 | 2 rooms | 3 rooms | 4 rooms and above |
| (1)              | (2)                                 | (3)                               | (4)    | (5)     | (6)                    | (7)     | (8)     | (9)               |
| Large Estates .. | 18,054                              | 94.1                              | 5.4    | 0.5     | 84.5                   | 12.4    | 1.3     | 1.8               |
| Small Estates .. | 11,003                              | 90.0                              | 9.4    | 0.6     | 90.7                   | 5.9     | 2.2     | 1.2               |
| All Estates ..   | 29,057                              | 92.6                              | 6.9    | 0.5     | 86.9                   | 9.9     | 1.6     | 1.6               |

\*Partly pucca and partly kutcha.

†Indicate number of living rooms.

It would be noticed from Statement 5.5 that nearly 93 per cent. of the houses provided by the managements were *pucca* and the rest were *kutcha* built. The statistics pertaining to proportion of houses according to room given relate to living rooms, i.e., rooms other than kitchen, bath and *verandah*. About 87 per cent. of the houses in coffee plantations had only one room. Such houses were generally provided with one *verandah* and a kitchen and a common bath room and latrines for each line of houses. One-room houses were invariably given to ordinary workers. Houses with two or more rooms were given only to members of staff, whose number was not large in any estate.

As mentioned earlier, the State Governments are required by the Plantations Labour Act to prescribe the standard, etc., of the housing accommodation which the employers must provide to their resident labour. According to the information collected in the course of the Survey, the following are the estimated percentages of houses of the approved and unapproved standard in coffee plantations during 1961-62.

#### STATEMENT 5.6

*Distribution of Houses According to Approved/Unapproved Standard—1961-62*

| Size                  | Estimated percentage of houses which were of |                     |
|-----------------------|--|---------------------|
|                       | Approved standard                            | Unapproved standard |
| (1)                   | (2)  | (3)                 |
| Large Estates .. .. . | 74.9   | 25.1                |
| Small Estates .. .. . | 45.7   | 53.3                |
| All Estates .. .. .   | 64.2   | 35.8                |

The term 'approved standard' does not necessarily denote new types of constructions strictly in accordance with the norms prescribed by the State Governments. It includes many old houses which were considered to be substantially in conformity with the standards laid down by the State Governments. It will be seen that nearly 64 per cent. of the houses provided by employers were of the approved standard. As normally expected, the proportion of houses which were of the approved standard was much higher in large size coffee estates than in small ones. A better idea of the progress made so far in regard to the provision of houses of the approved standard in coffee plantations can be had from the following Statement 5.7 which gives the distribution of estates according to the percentage of houses of the approved standard provided by them. It will be noticed that only about 5 per cent. of large estates did not have any houses of the approved standard. The percentage of such estates was as high as 38 among small ones.

## STATEMENT 5.7

*Estimated Distribution of Estates According to Percentage of Houses of Approved Standard in Coffee Plantations—1961-62*

| Size          | Number of estates | Percentage of estates not providing any houses | Percentage of estates where proportion of houses of approved standard were |         |          |          |          |          |          |          |          |          |           |
|---------------|-------------------|--|--|---------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
|               |                   |  | Nil  | 1 to 10 | 11 to 20 | 21 to 30 | 31 to 40 | 41 to 50 | 51 to 60 | 61 to 70 | 71 to 80 | 81 to 90 | 91 to 100 |
| (1)           | (2)               | (3)  | (4)  | (5)     | (6)      | (7)      | (8)      | (9)      | (10)     | (11)     | (12)     | (13)     | (14)      |
| Large Estates | 217               | —  | 5.5  | 10.6    | —        | 1.9      | —        | 5.5      | 5.5      | 5.5      | 5.6      | 9.2      | 50.7      |
| Small Estates | 611               | 10.8   | 37.6   | 15.1    | 2.1      | 1.2      | 2.1      | 1.1      | 1.2      | —        | 3.1      | 2.1      | 23.6      |
| All Estates   | 828               | 8.0  | 29.2   | 13.9    | 1.6      | 1.3      | 1.6      | 2.3      | 2.3      | 1.4      | 3.7      | 4.0      | 30.7      |

### 5.9.2. Facilities Provided for Building Houses

Roughly only one per cent. of the coffee estates, it is estimated, were providing facilities to their employees to build their own houses in 1961-62. The facilities were in the shape of free supply of land and straw for thatching purposes. The maximum area of land given by the management to each employee was 1/100th of an acre. These facilities were available to all workers of the concerned estates. It was found that where such facilities were being provided, the management had not built any houses for workers.

## CHAPTER VI

### SOCIAL SECURITY

Apart from compensation in the case of industrial accidents, workers employed in coffee plantations enjoyed virtually no other social security benefit when an enquiry was conducted by the Labour Investigation Committee in 1944-45. Since then, either as a result of statutory measures or as a consequence of collective agreements, the scope of social security enjoyed by workers in coffee plantations has widened considerably. The following paragraphs describe the position at the time of the Survey.

#### 6.1. *Provident Fund*

The Survey shows that in 1961-62, nearly 58 per cent. of the coffee plantations in the country as a whole had provident funds and on 30th November, 1961, about 59 per cent. of the total number of workers employed in the industry were members of these funds. In all the estates, the schemes were introduced after the application of the Employees' Provident Fund Act, 1952 to the plantations in May, 1957. The schemes existed in almost 96 per cent. of the large estates covering about 73 per cent. of the workers employed in this group in November, 1961. Among small size estates only about 44 per cent. had provident fund schemes covering about 35 per cent. of the workers employed in them in November, 1961. It is estimated that in the industry in the country as a whole, 40.5 thousand workers, accounting for nearly 59 per cent. of the total employed on 30th November, 1961, were members of the provident fund schemes\*. The estates which did not have any provident fund scheme were mostly small establishments having no regular working force.

Since all the schemes were covered by the Employees' Provident Fund Act, their scope, conditions of eligibility, rate of contribution, etc., were the same as prescribed under the Act. The only departure was that whereas for workers the rate of contribution was 6½ per cent., as laid down under the law, in the case of staff members it was 8½ per cent. The enhanced rate in the case of the staff members was introduced from 1-12-1957 as a result of an agreement between the United Planters' Association of Southern India (U.P.A.S.I.) and the Estates Staff Union of South India (E.S.U.S.I.).

#### 6.2. *Pension*

No scheme of pension was reported to exist in any of the coffee plantations covered during the Survey. There were a few units in Mysore where the managements paid pension to some of the workers whom they considered to be deserving. There was no fixed rate and the amount paid was at the discretion of the managements.

\*Since then the percentage of workers who were members of provident funds has increased. According to the statistics published by the Central Provident Fund Commissioner, on 30th September, 1964, the total number of subscribers was 40,109 or 89.3 per cent. of the total number of workers employed in coffee plantations covered by the Act.

### 6.3. *Gratuity*

In the Report of the Labour Investigation Committee there is no mention about the existence of any system of paying gratuity in any of the coffee plantations surveyed by them. The first scheme for payment of gratuity to workers in coffee plantations was introduced in 1956 as a result of an agreement\* between the U.P.A.S.I. representing estates in Madras and Workers' Union in Madras State. In 1957, there was an agreement between the U.P.A.S.I. and the E.S.U.S.I. as a result of which all members of staff of all member estates of the U.P.A.S.I. became entitled to gratuity. In Kerala also, a regular gratuity scheme for workers was introduced in February, 1962 on the basis of an agreement between employers and workers. As regards Mysore, there was no scheme of gratuity for workers. For staff members, however, a gratuity scheme was introduced as a result of an agreement arrived at between the E.S.U.S.I. (representing the estate staff employed in plantations in Mysore State) and the managements represented by the various planters' associations in Mysore State. It may be mentioned that even though there was no regular gratuity scheme for workers i.e., employees other than staff members, in Mysore State it was found that a few large estates were paying gratuity to their workers also at their discretion.

The results of the Survey reveal that in the industry in the country as a whole, only about 30 per cent. of coffee estates had the system of paying gratuity. The main reason for the low proportion of estates having gratuity system is due to the fact that Mysore State, where the majority of the sampled coffee estates were located, had no gratuity scheme for workers. Another reason is that even in estates where there were a few staff members, who were entitled to gratuity as per the agreement between the E.S.U.S.I. and Employers' Associations discussed above, it was reported that no gratuity was being paid by some estates.

The percentage of estates having gratuity schemes was nearly 62, among large size estates while only about 18 per cent. of the small estates reported any gratuity scheme.

In estates where the system of gratuity existed, it was generally being paid in case of death as also at the time of retirement. Only an insignificant proportion of estates paid gratuity only in case of death of the employees.

The qualifying condition prescribed was continuous service of 5 years in the case of staff members and 10 years or more in the case of workers. The rate of payment was half a month's basic salary or 15 days' wages for each completed year of service subject to a maximum of 15 months' salary for staff and 15 months' wages for workers. In the case of workers in Kerala, however, the agreement arrived at between the Parties in February, 1962 fixed the maximum at 12 months' wages.

### 6.4. *Maternity Benefits*

At the time when the Labour Investigation Committee conducted their investigation, the maternity benefits legislation did not apply

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\*The agreement, though signed on 15th April, 1957, was brought into effect from October, 1956.

to plantations in South India. Women workers are now entitled to maternity benefits under the rules framed by the State Governments of Mysore and Madras under the Plantations Labour Act. In Kerala, the maternity benefits are payable under the Kerala Maternity Benefits Act, 1957. The benefits to a woman worker is spread over a period of 12 weeks, i.e., for four weeks immediately preceding the expected day of delivery and for a period of eight weeks immediately following the day of her delivery. The cash benefit is payable at the rate of Rs. 5.25 per week for a period of 12 weeks. The data collected during the Survey indicate that in the industry as a whole, in about 76 per cent. of the estates employing women claims for maternity benefits were paid by employers during 1961-62. Following Statement 6.1 gives the details for the large and small estates:—

#### STATEMENT 6.1

#### *Proportion of Coffee Plantations which Paid Maternity Benefits— 1961-62*

| Size                | Number of estates | Estimated percentage of |   | Estimated number of claims paid during 1961-62 |
|---------------------|-------------------|-------------------------|---|--|
|                     |                   | Estates employing women | Estates out of those in col. (3) in which claims for maternity benefits were made |  |
| (1)                 | (2)               | (3)                     | (4)   | (5)  |
| Large Estates .. .. | 217               | 100.0                   | 98.2  | 3,898<br>(20.0)                                |
| Small Estates .. .. | 611               | 95.7                    | 67.4  | 1,413<br>(12.5)                                |
| All Estates .. ..   | 828               | 96.9                    | 75.7  | 5,311<br>(17.2)                                |

NOTE—Figures in brackets in col. (5) are percentages to the total number of women employed.

#### 6.5. Retrenchment Compensation

Information collected during the course of the Survey reveal that there was no case of retrenchment and hence no compensation was paid in any of the units surveyed.

#### 6.6. Occupational Disease

None of the units surveyed reported any occupational disease.

#### 6.7. Industrial Accidents

Data relating to industrial accidents collected during the Survey show that in the industry as a whole accidents were reported only in about 2 per cent. of the estates during 1961. All these were large estates accounting for nearly 9 per cent. of the total number of estates in that group. No accident was reported by any of the small estates. On the basis of the number of persons involved in accidents, it is estimated that the rate of accident was only 1.2 per thousand of the total estimated average number of persons employed in the industry during the year. Nearly 90 per cent. of the persons involved suffered from temporary disability and the rest were involved in accidents resulting in death or permanent incapacity.



## CHAPTER VII

### INDUSTRIAL RELATIONS

During the post war years, specially since the country gained independence, considerable attention has been paid to the promotion of industrial peace and the creation of favourable atmosphere for the growth of healthy labour-management relations. The activities of Government in this context have not been confined to mere enactment of laws for speedy settlement of disputes but have extended to creation of atmosphere for the maintenance of cordial relations between workers and employers and to the promotion of healthy trade unionism and direct negotiations. Some of the new developments in the field of labour-management relations in the industry since the Labour Investigation Committee conducted their enquiry are the constitution of industrial committee on plantations, plantations advisory committees in States and appointment of tripartite committees/boards for settling major issues such as wages, bonus, etc. All these seem to have made substantial contribution towards promotion of industrial harmony. The following paragraphs briefly describe some of the aspects and facts of the industrial relations in the industry:—

#### 7.1. Industrial Disputes

Separate statistics relating to industrial disputes are available for the coffee plantations in the country only since 1959 and they are given below:

STATEMENT 7.1  
*Industrial Disputes in Coffee Plantations 1959—62*

| Year |    |    |    |    |    |    | Number<br>of<br>disputes | Number<br>of<br>workers<br>involved | Number<br>of<br>man-days<br>lost |
|------|----|----|----|----|----|----|--------------------------|-------------------------------------|----------------------------------|
| (1)  |    |    |    |    |    |    | (2)                      | (3)                                 | (4)                              |
| 1959 | .. | .. | .. | .. | .. | .. | 11                       | 1,759                               | 2,163                            |
| 1960 | .. | .. | .. | .. | .. | .. | 15                       | 1,594                               | 2,926                            |
| 1961 | .. | .. | .. | .. | .. | .. | 19                       | 2,207                               | 8,286                            |
| 1962 | .. | .. | .. | .. | .. | .. | 10                       | 951                                 | 1,447                            |

It would be noticed that the time loss during 1961 was considerable. The main reason for this loss was that nearly 476 workers employed in a large coffee estate in Madras were on strike for 10 days as a protest against the dismissal of some workers. There was loss of man-days due to protest strikes in Mysore also.

#### 7.2. Trade Unions

A significant change which has taken place since the Labour Investigation Committee conducted their investigation is in the sphere of unionisation among coffee plantation workers. The Committee had reported that there was no organisation of any kind worth the name among large mass of plantation workers in 1944-45 and they did not

find any trade union in any of the estates covered by them. As against such a situation, in 1961-62 it is estimated that trade unions existed in about 24 per cent. of the coffee estates and about 19 per cent. of the workers were members of these unions. The details are given in the following Statement 7.2:—

### STATEMENT 7.2

#### *Extent of Trade Unionism in Coffee Plantations 1961-62*

| Size          |       | Number<br>of<br>estates | Estimated<br>percentage of<br>estates where<br>workers were<br>members of<br>trade unions | Estimated<br>percentage of<br>workers who<br>were members<br>of trade<br>unions to the<br>total number<br>of workers*<br>in the<br>industry | Percentage<br>of units<br>where unions<br>were<br>recognised |
|---------------|-------|-------------------------|---|---|--|
| (1)           |       | (2)                     | (3)   | (4)   | (5)  |
| Large Estates | .. .. | 217                     | 52.5  | 27.8  | 79.8   |
| Small Estates | .. .. | 611                     | 13.9  | 3.2   | 100.0  |
| All Estates   | .. .. | 828                     | 24.0  | 18.5  | 88.4   |

\*Relates to workers covered under the Plantations Labour Act.

It will be seen from the statistics given in Statement 7.2 that there were no trade unions at all in nearly 86 per cent. of the small estates. Among large estates also, a little less than half the number of estates did not have any trade unions. It was generally noticed that trade unionism had developed in those estates which were near towns. Some of the central organisations of trade unions appear to have done a good deal of work in unionising workers in coffee plantations. However, the trade union movement has not been able to spread much in estates located in the interior areas cut off from towns. The impression gathered by the field staff of the Bureau was that there was not much awakening among workers in such estates. Another important factor for the lack of unionisation among workers, specially in small estates, seems to be that they were mostly drawn from other districts and worked during the season in an estate and then left it. Since they moved from estate to estate they did not bother about joining any union and it was obviously difficult to organise them into unions.

Of the estates which reported trade unions, about 68 per cent. had one union, 28 per cent. had 2 unions and rest (4%) had 3 or more unions. Among the small estates, which had trade unions, nearly 85 per cent. had only one union and the rest (15%) 2 unions, whereas about 55 per cent. of the large estates had only one union and nearly 38 per cent. 2 unions and the rest 3 or more unions.

Nearly 88 per cent. of the estates having unions had accorded recognition. The reason generally given by the managements of other estates for not according recognition was either that they did not consider it desirable to do so on the ground that the unions did not truly represent the workers or that giving recognition was likely to lead to labour troubles in the estate. At times rivalry among unions was given as an argument for non-recognition.

It was noticed that there was practically no activity of unions other than that relating to securing of claims under the various Labour Acts, such as Plantations Labour Act, Industrial Disputes Act, Payment of Wages Act, Minimum Wages Act, etc.

### 7.3. *Agreements*

One of the significant features in the field of labour-management relations in Coffee Plantation Industry is the large number of agreements concluded between the employers and workers, either as a result of direct negotiations or as a result of intervention of Conciliation Officers, Labour Commissioners or other State Officials. The agreements have generally been common for several units in the industry. The agreements concluded between the employers and workers in the States of Mysore, Madras and Kerala since 1956 covered a wide field of subjects such as wage revisions of workers and staff, bonus for the different years and gratuity. These agreements were instrumental in bringing about not only uniformity in conditions of service of workers in various areas but also in promoting industrial peace. Details relating to these agreements have already been discussed at the relevant places in the report.

### 7.4. *Standing Orders*

As in the case of factories, the provision of the Industrial Employment (Standing Orders) Act, 1946 apply to all plantations employing 100 or more workers. It is estimated that in the industry as a whole about 23 per cent. of the coffee estates were under a statutory obligation to frame standing orders. The main reason for the low proportion of units which were statutorily obliged to frame standing-orders appear to be the fact that most of the coffee estates were of small size employing less than 100 workers.

Of the estates which were under a legal obligation to frame standing orders, only about 28 per cent. had actually framed standing orders. In addition, another 10 per cent. had framed standing orders voluntarily.

### 7.5. *Welfare Officers*

The Plantations Labour Act, 1951 lays down that every plantation, wherein 300 or more workers are ordinarily employed, should employ such number of welfare officers as may be prescribed. The Act also authorises the State Governments to prescribe the duties, qualifications and conditions of service of welfare officers. Till the time of the Survey, no rules had been framed by the State Governments of Mysore, Madras and Kerala. It was found that none of the estates covered in the course of the Survey had appointed any such officers.

### 7.6. *Works Committees*

The formation of a works committee is a statutory obligation for estates employing 100 or more workers. The results of the Survey indicate that only about 23 per cent. of the estates in the industry as a whole were under a legal obligation to constitute works committees. Of these, only about 4 per cent. had constituted them. Another about 9 per cent. of estates had constituted works committees voluntarily. The reasons adduced by the defaulting managements were (i) that no necessity was felt for such a committee; (ii) that

they had not been asked by the State authorities to constitute them; (iii) that labour leaders did not co-operate with the managements, and (iv) that important issues were being discussed between the associations of employers and unions and as such the committee was not necessary.

It was observed that works committees, wherever they existed, generally did not function effectively. The main reason seemed to be that both employers and workers did not take much interest.

#### *7.7. Other Committees*

With the exception of 2 sampled estates in the Coorg district of Mysore, nowhere any production committee or any other committee was reported during the course of the Survey. There was a production committee in each of the 2 sampled units in Mysore. These committees consisted of representatives of managements and workers and mainly discussed items relating to improvements of production.

#### *7.8. Grievance Procedure*

The prescribed procedure for the redress of grievances of workers in various estates was uniform and was incorporated in the Standing Orders. These Standing Orders provide that "All complaints arising out of employment, including those relating to unfair treatment or wrongful action on the part of the Superintendent/Manager or his Agent, shall be submitted to the Superintendent/Manager or to such other person, as may be specified in this behalf, in the first instance with a right of appeal to the owners of the estate or to the Managing Agents of the Company where such exist". The Standing Orders further provide that the decision of the Superintendent/Manager would be final but an appeal could be preferred to the Managing Agents of the Company, wherever such exist, without prejudice to any right of the aggrieved worker to resort to legal proceedings in a court of law. In actual practice, however, the procedure adopted differed from unit to unit, whether having a standing order or not. Oral complaints were first taken to the Supervisor who usually settled them. Complaints were rarely taken to the Manager/Superintendent or owner of the estate, but wherever they were taken, their decision was final. No time limit was fixed for decision at any level or for appeal. Wherever trade unions were functioning, union leaders took up important issues directly with the managements or their associations.

#### *7.9. Plantation Labour Committees/Advisory Boards*

In the matter of industrial relations, the setting up of Plantations Labour Advisory Boards/Committees in different States is a significant development in the plantations industry in the country. These Committees/Boards consist of the representatives of employers, workers and the Government. Usually, the Labour Commissioners of the States convene the meetings. Even though the functions of these bodies are advisory in character, their deliberations have had considerable impact on the implementations of the Plantations Labour Act. In fact, they have been the main forum for discussing and prescribing the standards of various welfare facilities, specially housing and medical aid, to be provided by different types of estates. They have been helped in settling various important issues like wages, bonus, gratuity and have thus helped considerably in promoting not only welfare of workers but also industrial peace.

## CHAPTER VIII

### LABOUR COST

Information relating to labour cost was collected, during the course of the Survey, in respect of employees covered under the Plantations Labour Act, 1951, and whose wages did not exceed Rs. 300\* per month. The enquiry pertaining to labour cost was modelled on the lines of the Study of Labour Cost in the European Industry, made by the International Labour Office in 1956, with such modifications as were considered necessary in the light of conditions in India. For instance, in view of the fact that in India, wages are paid on the basis of 'days' instead of 'hours' as in European countries, the data were collected for man-days and not man-hours. Similarly, it was found in the course of the pilot enquiry that most of the industrial establishments did not maintain any separate records of premium payments made for leave or holidays or payments for days not worked and hence these were not taken as separate items but included under 'basic wages'. Certain additions were made in the list either on the basis of the decisions of the Study Group referred to above, or with a view to eliciting separate information on some of the items on which employers have to incur expenses under labour laws in force in the country (e.g., lay off, compensation, retrenchment compensation, etc.).

In order to ensure uniformity and maintain comparability of the data, the field staff were asked to collect information, as far as possible, for the year ending with 30th November, 1961, which was the specified date fixed for the enquiry. However, in view of the fact that financial years of the establishments do not coincide with the year ending with the specified date of the Survey and also differ from unit to unit and from area to area, the field staff were instructed that wherever it was difficult to cull out the information for the above period, they should collect data for the latest period of 12 months for which information was available, subject to the condition that the data so collected should, as far as practicable, cover a major part of the twelve months ending with the specified date. The data available show that by and large it was possible to collect information for the year ending with November, 1961.

It may be mentioned here that with a view to framing a better estimate of labour cost, salaries and allowances, etc., of those persons who were engaged in connection with any welfare items, amenity, etc., even though they were covered under the Plantations Labour Act, 1951 and were receiving salaries or wages not exceeding Rs. 300/- per month, were not included in the general head "wages". Similarly,

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\*In case of factory industries data on labour cost were collected in respect of employees getting less than Rs. 400 per month. This was in pursuance of the decision taken by the Study Group on Wage Cost appointed by the Ministry of Labour and Employment in 1959. Since the Plantations Labour Act, 1951 does not apply to employees whose monthly wages exceed Rs. 300, data on labour cost also were restricted to only those who were covered by the Act and who did not get more than Rs. 300.

the man-days of such persons were excluded from the general head "man-days". Expenses incurred in connection with such persons were recorded against the item for which they were engaged.

### 8.1. Labour Cost Per Man-day Worked

The estimated labour cost per man-day worked in the industry in the country as a whole, worked out to Rs. 2.21 in coffee plantations in 1961. The following Statement 8.1 gives the details:—

#### STATEMENT 8.1

#### *Estimated Labour Cost Per Man-day Worked in Coffee Plantations—1961*

| Size                  |    |    |    |    |    | Estimated number of man days worked (in thousand) | Labour Cost per man-day worked (Rs.) |
|-----------------------|----|----|----|----|----|---|--------------------------------------|
| (1)                   |    |    |    |    |    | (2)   | (3)                                  |
| Large Estates .. .. . | .. | .. | .. | .. | .. | 10,190  | 2.37                                 |
| Small Estates .. .. . | .. | .. | .. | .. | .. | 6,053   | 1.95                                 |
| All Estates .. .. .   | .. | .. | .. | .. | .. | 16,243  | 2.21                                 |

### 8.2. Components of Labour Cost

A break up of the labour cost per man-day worked according to components is given in the following Statement 8.2 :—

#### STATEMENT 8.2

#### *Labour Cost Per Man-day Worked by their Components—1961*

(In Rupees)

| Size          | Wages including leave and holiday wages and incentive bonus | Premium pay for overtime and late shifts | Bonuses        | Other cash payments | Payments in kind | Social security contributions |                |
|---------------|---|--|----------------|---------------------|------------------|-------------------------------|----------------|
|               |   |  |                |                     |                  | Obligatory                    | Non-obligatory |
| (1)           | (2)   | (3)                                      | (4)            | (5)                 | (6)              | (7)                           | (8)            |
| Large Estates | 1.69<br>(71.18)   | *<br>(0.11)                              | 0.12<br>(5.00) | 0.07<br>(3.03)      | 0.02<br>(0.83)   | 0.13<br>(5.54)                | 0.04<br>(1.60) |
| Small Estates | 1.61<br>(82.35)   | *<br>(0.19)                              | 0.05<br>(2.59) | 0.04<br>(1.94)      | 0.02<br>(1.05)   | 0.06<br>(2.79)                | *<br>(0.28)    |
| All Estates   | 1.66<br>(74.85)   | *<br>(0.14)                              | 0.09<br>(4.21) | 0.06<br>(2.67)      | 0.02<br>(0.90)   | 0.10<br>(4.63)                | 0.03<br>(1.17) |

(In Rupees)

| Size          | Subsidies       | Cost of running welfare centres | Direct benefits | Other Payments related to labour cost | Any others (protective equipment) | Total            |
|---------------|-----------------|---------------------------------|-----------------|---------------------------------------|-----------------------------------|------------------|
|               | (9)             | (10)                            | (11)            | (12)                                  | (13)                              | (14)             |
| Large Estates | 0.26<br>(10.89) | —                               | *               | *                                     | 0.04<br>(1.72)                    | 2.37<br>(100.00) |
| Small Estates | 0.14<br>(6.95)  | —                               | *               | *                                     | 0.03<br>(1.67)                    | 1.95<br>(100.00) |
| All Estates   | 0.21<br>(9.59)  | —                               | *               | *                                     | 0.04<br>(1.70)                    | 2.21<br>(100.00) |

\*Indicates that the expenses were less than Re. 0.005.

NOTE—Figures in brackets are percentages to corresponding totals in col. (14).

### 8.2.1. Wages

This component comprised basic wages and dearness allowance or consolidated wages, incentive and production bonus. Since records of payments made for leave and holidays were not separately maintained in some units, the amount of 'wages' includes sums paid for the days worked as well as the days not worked but paid for.

It is evident from Statement 8.2 that wages accounted for nearly 75 per cent. of the total labour cost per man-day worked. The proportion of 'wages' to total labour cost was as much as 82 per cent. in small estates, the corresponding percentage for the large estates being about 71. The following Statement 8.3 gives the break-up of wages cost by components:—

### STATEMENT 8.3

#### Break-up of Wages Cost by Sub-Components

(In Rupees)

| Size             |    |    |    |    | Basic wages<br>and dearness<br>allowance and<br>consolidated<br>wages | Incentive<br>Bonus (for<br>extra picking) | Total            |
|------------------|----|----|----|----|---|---|------------------|
| (1)              |    |    |    |    | (2)   | (3)                                       | (4)              |
| Large Estates .. | .. | .. | .. | .. | 1.60<br>(94.99)   | 0.09<br>(5.01)                            | 1.69<br>(100.00) |
| Small Estates .. | .. | .. | .. | .. | 1.53<br>(95.03)   | 0.08<br>(4.97)                            | 1.61<br>(100.00) |
| All Estates ..   | .. | .. | .. | .. | 1.58<br>(95.00)   | 0.08<br>(5.00)                            | 1.66<br>(100.00) |

Basic wages and dearness allowance and consolidated wages, including leave and holiday wages, accounted for 95 per cent. of the total wage cost. It would be noticed that the share of this element is almost the same in both large and small estates, the main reason being that there was standardisation of minimum wages in coffee plantations. Although incentive bonus for extra picking is given to only one of category workers, i.e., those who do picking work, this item

accounted for about 5 per cent. of the total wage cost per man-day, thereby indicating the importance of the picking operation in coffee plantations.

### 8.2.2. Premium for Overtime

In plantations, overtime was very rarely done and hence this item was not found to be significant.

### 8.2.3. Bonuses

Since none of the estates had any profit-sharing scheme or was paying any festival bonus, the entire payment under this head related to year-end bonus. Payments made as bonus accounted for about 4 per cent. of the total labour cost in the industry as a whole. The share of this component was higher in large estates (5%) compared to small estates (3%) mainly because of higher proportion of large estates paying bonus as compared to small estates.

### 8.2.4. Other Cash Payments

This sub-group accounted for 2.7 per cent. of the total labour cost per man-day. The main items included under this head were: (i) servant allowance for staff-members, (ii) travelling allowance, i.e., way expenses for the workers and the staff to go to their native places and return to estates, and (iii) *Kangani* commission. In the case of large estates, the cost per man-day on this sub-group was slightly more than that for the small estates.

### 8.2.5. Payments in kind

Expenses on this item were negligible. It was noticed that in some of the estates, the practice of giving free coffee seeds was in vogue.

### 8.2.6. Social Security

Expenses incurred by employers under this group were recorded separately under two sub-groups, viz., (a) obligatory, and (b) non-obligatory. Expenses incurred in connection with obligatory social security were those which the employers were required to pay in compliance to certain labour laws or awards, etc. Non-obligatory social security payments recorded were those which the managements paid to their workers as a result of any agreement between workers and employers but without any legal compulsion (e.g., gratuity, pension, etc.). The following Statement 8.4 gives the break-up:—

#### STATEMENT 8.4

#### Cost of Social Security Contributions Per Man-day Worked—1960-61

(In Rupees)

| Size          | Provident Fund  | Retrenchment Compensation | Lay off | Employees' State Insurance Contributions | Compensation for  |                      |
|---------------|-----------------|---------------------------|---------|--|-------------------|----------------------|
|               |                 |                           |         |  | Employment injury | Occupational disease |
| (1)           | (2)             | (3)                       | (4)     | (5)                                      | (6)               | (7)                  |
| Large Estates | 0.10<br>(72.14) | —                         | *       | —  | *                 | —                    |
|               |                 |                           | (0.05)  |  | (2.72)            |                      |
| Small Estates | 0.04<br>(88.77) | —                         | —       | —  | *                 | —                    |
|               |                 |                           |         |  | (2.94)            |                      |
| All Estates   | 0.07<br>(71.47) | —                         | *       | —  | *                 | —                    |
|               |                 |                           | (0.04)  |  | (2.78)            |                      |

\*Indicates that the expenses were less than Re. 0.005.



STATEMENT 8.4—*contd.*

| Size          | Obligatory        |                  |                   |                  | Non-Obligatory | (In Rupees)                             |   |
|---------------|-------------------|------------------|-------------------|------------------|----------------|---|---|
|               | Maternity benefit | Sickness Benefit | Others (Gratuity) | Total            |                | Total for obligatory and non-obligatory | Percentage of social security contributions to total labour cost per man-day worked |
|               | (8)               | (9)              | (10)              | (11)             | (12)           | (13)                                    | (14)  |
| Large Estates | 0.02<br>(15.46)   | 0.01<br>(7.47)   | *<br>(2.15)       | 0.13<br>(100.00) | 0.04           | 0.17                                    | 7.14  |
| Small Estates | 0.02<br>(25.29)   | *<br>(3.00)      | —                 | 0.06<br>(100.00) | *              | 0.06                                    | 3.07  |
| All Estates   | 0.02<br>(17.41)   | 0.01<br>(6.58)   | *<br>(1.72)       | 0.10<br>(100.00) | 0.03           | 0.13                                    | 5.80  |

Items included under the sub-group 'obligatory' together accounted for 4.6 per cent. and the sub-group 'non-obligatory' accounted for 1.2 per cent. of the total labour cost per man-day worked. Of the total expenses incurred on 'obligatory' social security measures, provident fund was the most important item accounting for nearly 71 per cent. of the total cost under this item. The next important item in this group was maternity benefit, which accounted for nearly 17 per cent. of the total labour cost under the group 'obligatory social security'.

### 8.2.7. *Subsidies*

Under this head data were collected in respect of expenditure incurred by employers on providing various types of facilities and services for workers and their families. The facilities listed were: medical and health care, canteens, restaurant and other food services, company housing, credit unions, creches, educational services, cultural services (e.g., library, reading rooms, etc.), recreational services (clubs, sports, theatres, cinemas, etc.), transport, sanitation (at work places), drinking water facilities, building funds and other aid services, vacation homes, etc. The amount recorded were net payments by the employers, including depreciation, but not capital expenditure. In the course of the pilot Survey, it was found that in most of the cases employers did not maintain any records separately for the above mentioned items or expenses related not only to persons falling within the scope of the study but also to others. Consequently, the field staff was asked to obtain estimates from employers wherever separate statistics were not available. In case, any expenses were incurred on workers covered by the study as well as on other employees, the amount was estimated for workers covered by the study on the basis of the proportion they formed to the total employees.

It will be seen from Statement 8.5 that most important item of expenses under this group was on account of housing facilities provided by employers. Expenses on this item accounted for nearly 54

per cent. of the total cost of subsidies. Next in the order of importance was medical and health care, which constituted about 31 per cent. of the total cost of this group. Since in plantations housing and medical facilities are statutory requirements on the part of employers these two items taken together constitute the bulk of the total labour cost of the group. Expenses on other items were either insignificant or practically nil.

**STATEMENT 8.5**  
**Cost of Subsidies Per Man-day—1961**

(In Rupees)

| Size           | Medical and health care | Canteens    | Restaurants and other food services | Company housing | Credit unions, etc. | Creches         | Educational services |
|----------------|-------------------------|-------------|-------------------------------------|-----------------|---------------------|-----------------|----------------------|
| (1)            | (2)                     | (3)         | (4)                                 | (5)             | (6)                 | (7)             | (8)                  |
| Large Estates  | 0.08<br>(32.26)         | *<br>(0.22) | *<br>(0.12)                         | 0.13<br>(50.05) | *<br>(0.17)         | 0.03<br>(11.92) | 0.01<br>(1.85)       |
| Small Estates  | 0.04<br>(26.97)         | —           | —                                   | 0.09<br>(67.76) | —                   | *<br>(1.25)     | *<br>(0.34)          |
| All Estates .. | 0.07<br>(30.99)         | *<br>(0.17) | *<br>(0.09)                         | 0.11<br>(54.27) | *<br>(0.13)         | 0.02<br>(9.38)  | *<br>(1.49)          |

\*Indicates that the expenses were less than Re. 0.005.

(In Rupees)

| Size          | Cultural services | Recreational services | Transport | Sanitation (at work places) | Drinking water | Building fund and others aid services | Total            | Percentage of cost on subsidies to total labour cost |
|---------------|-------------------|-----------------------|-----------|-----------------------------|----------------|---------------------------------------|------------------|--|
|               | (9)               | (10)                  | (11)      | (12)                        | (13)           | (14)                                  | (15)             | (16)   |
| Large Estates | *<br>(0.25)       | 0.01<br>(3.12)        | —         | *<br>(0.04)                 | *<br>(0.04)    | —                                     | 0.26<br>(100.00) | 10.89  |
| Small Estates | *<br>(0.23)       | 0.01<br>(3.27)        | —         | —                           | *<br>(0.18)    | —                                     | 0.14<br>(100.00) | 6.95   |
| All Estates   | *<br>(0.25)       | 0.01<br>(3.16)        | —         | *<br>(0.07)                 | *<br>(0.07)    | —                                     | 0.21<br>(100.00) | 9.59   |

\*Indicates that the expenses were less than Re. 0.005.

**8.2.8. Others (Protective Equipment)**

Expenses incurred by the employers in connection with the supply of protective equipment accounted for Re. 0.04 or 1.7 per cent. of the total labour cost per man-day worked.

## CHAPTER IX

### SUMMARY OF CONCLUSIONS

The Coffee Plantation Industry is concentrated only in South India and is located mainly in the State of Mysore, which accounted for nearly 55 per cent. of the total planted area under coffee in 1961, followed by Madras and Kerala. A noticeable feature of the industry is that nearly 97 per cent. of plantations are small holdings not exceeding 25 acres. Since the Plantations Labour Act, 1951 applies to those plantations which admeasure 10.117 hectares (25 acres) or more and in which 30 or more workers are employed, quite a large number of coffee plantations are still unregulated. Judged from the number of persons employed, the Coffee Plantation Industry is the second major plantation industry of the country next only to Tea. It is estimated that on 30th November, 1961, the total number of persons employed in coffee plantations covered under the Plantations Labour Act, 1951 was about 70 thousands. Of these, nearly 96 per cent. were "production and related workers (including supervisory)". Persons falling in other groups constituted a very small percentage of the total.

The composition of the labour force continues to indicate the influence of the initial system of recruitment when planters provided employment to families. The working force even now comprises men, women, adolescents and children. As at the time of the enquiry of the Labour Investigation Committee, men continue to predominate. However, there has been a change in the proportion of women and children. Unlike the declining trend of women in many industries during recent years, in coffee plantations, there has been a slight increase in the percentage of women. It is estimated that women constituted about 44 per cent. of the total working force as against about 40 per cent. in 1944. Another significant feature noticed was the decline in the employment of children.

Almost all workers employed in coffee plantations were time-rated accounting for nearly 98 per cent. of the total production workers, the remaining (2%) being piece-rated.

The practice of engaging workers through contractors for regular jobs of coffee plantations was not in vogue but it was noticed that some of the estates gave certain items of regular work such as weeding, picking, etc., on contract basis to outsiders who brought their own labour and the managements had nothing to do with such labour. Such a system, it is estimated, was found to exist in about 20 per cent. of coffee estates in the country as a whole.

The Survey results show that *badli* labour was not engaged but the practice of employing casual labour was in vogue. On the basis of the data collected during the Survey relating to employment status, it is estimated that of the total number of production workers about 80 per cent. were permanent, 5 per cent. temporary and the remaining (15%) were casual labour.

About 34 per cent. of the production workers had a service length of less than one year, 27.5 per cent. were in the service group 'one or more but less than five years' and the rest had 5 or more years of service.

Data collected on absenteeism show that the rate of absenteeism was nearly 23 per cent. in the industry.

The rate of accession and separation in the industry was not high being of the order of 2 and 3 per cent. respectively. Information given by the managements indicate that "quits" was the main cause of separations, accounting for nearly 87 per cent. of the total separations.

The *Kangani* system of recruitment, which was prevalent in the industry since times immemorial and which was severely criticised by the Labour Investigation Committee, has now been totally abolished. At the time of the present Survey, the recruitment was being done directly by the managements. *Kanganies* who were in service had either been absorbed as Labour Supervisors or their services had been dispensed with after paying compensation on the basis of agreements arrived at between employers and *Kanganies*.

There has been a significant upward movement of wages since the Labour Investigation Committee conducted their enquiry. In 1944, the daily rates of wages in the industry were 6 annas (Re. 0.37) for men, 5 annas (Re. 0.31) for women, and 2 to 4 annas (Re. 0.12 to 0.25) for children, whereas in 1961, the corresponding rates for men were Rs. 1.53 (for estates below 50 acres) and Rs. 1.62 (for estates having 50 or more acres) in Mysore, Rs. 1.37 (in estates in Madurai and Shevoroy's districts in Madras State) and Rs. 1.56 for all other areas in Madras, and Rs. 1.72 in Kerala. Since 1952, the wage structure is regulated by the Minimum Wages Act, 1948. On the basis of the data collected, it is estimated that the average daily earnings of 'all workers' in coffee plantations were Rs. 1.58 in November 1961. Production workers earned on an average Rs. 1.56 a day. Men, women, adolescents and children, earned on an average Rs. 1.89, Rs. 1.27, Rs. 1.06 and Re. 0.79 a day respectively. The lowest paid workers earned on an average Rs. 1.43 a day. Men workers invariably earned more than the women workers. Clerical staff earned on an average Rs. 6.07 a day, while employees in the 'watch and ward and other services' group received Rs. 1.68 per day.

Information relating to components of earnings of all workers indicate that basic earnings accounted for Rs. 1.52 or nearly 96 per cent. of the total daily earning (Rs. 1.58). The next important item was 'other cash allowances' consisting of servant allowance, *Kangani* commission, etc., and this accounted for nearly 2 per cent. of the total daily earnings of a worker. The system of paying dearness allowance as a separate component was in vogue in the industry but this was confined to only monthly-rated staff members. Workers received only consolidated wages.

The Survey shows that there was a wide spread practice of paying way expenses to workers as well as staff once in a year for going to their native places on earned leave.

None of the estates surveyed had any scheme of profit-sharing bonus, but the system of paying annual bonus (year end bonus) was in vogue in about 57 per cent. of the estates in the industry. The rate of bonus for workers other than staff was based on agreements between employers and workers and it varied from year to year, but it generally ranged between 4 and 9 per cent. of basic earnings in Mysore, 4 and 6½ per cent. in Madras and in Kerala it was 5 per cent. Staff members were paid bonus ranging from 1 to 4 months' basic pay at the discretion of the managements.

The usual system of settlement of wages was once in a month for about 81 per cent. of the workers employed in the industry; it was once in a week for about 16 per cent. and nearly 2 per cent. received their dues daily or once in a fortnight. The practice of settling wages once in a year was reported for about 1 per cent. of the workers employed in the industry. No fines were found to be imposed in the industry. Deductions, wherever made, were only those which have been authorised under the Payment of Wages Act, 1936.

At the time of the Survey, hours of work for adults were usually 8 in almost all the estates. Adolescents were required to work not more than 40 hours a week in about 53 per cent. of the estates which employed adolescents and in the rest the weekly hours ranged from 41 to 50. Of the units employing children, nearly 42 per cent. had weekly hours of 40 or less and in the rest (58%) it ranged from 41 to 50. The spreadover of daily hours of work was usually 9, including a rest interval, which ranged from ½ to 1 hour, in nearly 85 per cent. coffee plantations in the country. Even though the Plantations Labour Act stipulates a rest interval of at least half an hour a day after 5 hours of work, it was noticed that in about 2 per cent. of the estates no rest interval was allowed at all to workers. Generally there was a task system in coffee plantations and any worker who completed his day's work was free to go home irrespective of the fact whether the working hours were over or not.

It was found that sanitary arrangements at work-places existed only in about one per cent. of the units in the industry.

At the time of the present Survey workers enjoyed the statutory benefit of annual leave and sick leave with wages under the Plantations Labour Act and festival holidays under the Madras and Kerala Acts. Nearly 84 per cent. of the coffee estates were found to be granting annual leave and about 48 per cent. of the workers enjoyed the benefit in 1961. The estimated percentages of estates granting sick leave and festival holidays were 46 and 87 respectively. Staff members enjoyed better leave privileges and in fact they alone were entitled to casual leave.

The Plantations Labour Act makes it obligatory for management to provide certain welfare measures and in fact the range of matters covered by it is much wider than those of the factory or mining legislation. Drinking water facilities at work places were found to exist only in about 35 per cent. of the estates. In view of large number of women employed in the industry and since work has to be done in open air, creche facility can also be termed as a basic amenity. It is estimated that out of the estates which were employing women,

nearly one-fifth were under a statutory obligation to provide creche facilities. But the facilities were provided by only 68 per cent. of these estates.

Even where creches had been provided they did not conform to the prescribed standard. Only a negligible proportion of the coffee estates were under a statutory obligation to provide canteens. They had done so but the canteens provided were mostly run by contractors and they were no better than tea or coffee stalls.

Medical facilities were available in one form or the other in nearly 91 per cent. of the estates.

Nearly one-third of the coffee estates had some arrangement for recreational and/or cultural facilities for their workers.

The Survey results show that only about 4 per cent. of the estates had provided schools for imparting education to workers' children. No such arrangement existed in any small estate covered during the Survey. In estates which did not provide schools of their own, facilities existing in the adjoining areas were being utilised by workers' children.

The findings of the Survey reveal that in 1961-62, nearly 92 per cent. of the estates had provided housing accommodation and nearly 86 per cent. of the workers in the industry were thus housed. The defaulters were mainly small estates. Of the houses provided by employers, approximately 64 per cent. were of the approved standard.

Workers were found to be enjoying not only protection in case of accidents but also benefits of provident fund, gratuity and maternity benefits in case of women. On the basis of the data collected during the Survey it is estimated that the Employees' Provident Fund Scheme was in force in about 58 per cent. of the estates covering nearly 59 per cent. of the total workers employed in the industry.

As a result of collective agreements, workers of nearly 30 per cent. of the estates were entitled to gratuity in the event of retrenchment and/or death. The rules framed by the State Governments under the Plantations Labour Act have made it obligatory for planters to pay maternity leave and cash benefits to their women workers. During 1961-62 nearly 76 per cent. of estates employing women paid maternity benefit.

There have been quite significant developments in the field of industrial relations since the Labour Investigation Committee conducted their enquiry. Whereas the Committee had found that trade unions were totally absent among plantation labour at that time, the present Survey shows that in 1961-62 trade unions existed in nearly 24 per cent. of the estates and about 19 per cent. of the workers employed in the industry were unionised. Apart from securing claims under the various labour laws there was practically no other activity of trade unions.

Another healthy feature in the field of labour management relations in the industry is the growth of collective bargaining and agreements. The agreements concluded have covered a wide field of subjects such as wages, bonus and gratuity, etc.

Nearly 23 per cent. of the coffee estates were under a statutory obligation to frame standing orders and of these, only about 28 per cent. had actually done so. In addition, about 10 per cent. of the estates had framed standing orders for the workers and also for the staff members. None of the sampled units had appointed any Labour/Welfare Officer at the time of the Survey.

The Survey results show that only about 4 per cent. of the coffee estates which were under a statutory obligation to constitute works committees had done so. In addition 9 per cent. of the estates had voluntarily constituted such committees.

The Standing Orders framed by the coffee estates prescribed the procedure to be adopted for settling grievances of workers. In actual practice, the procedure adopted in all the units whether having standing order or not, was that oral complaints were first taken to the supervisor who usually settled them. In rare cases, workers approached the Superintendents/Managers or owners of the estates when not satisfied with the decisions of the supervisors. No time limit was fixed for the disposal of grievances or for appeal.

The Plantations Advisory Board or Committees set up in various States to advise the State Governments in the matter of certain welfare facilities such as housing, medical care, etc., were found to be playing an important role in the matter of promoting not only welfare of the workers but also industrial peace.

Data pertaining to labour cost collected in respect of workers receiving Rs. 300 or less per month show that in 1961, the labour cost per man-day worked in the industry was Rs. 2.21. Of this sum, 'wages' element (i.e., consolidated wages or basic wage and dearness allowance and incentive or production bonus) alone accounted for about 75 per cent. Other important items in the order of their importance were subsidies (9.6%), social security (5.8%), bonuses (4.2%), other cash payments (2.7%) and protective equipment (1.7%).

## APPENDIX

### *A Brief Note on the Sample Design and the Method of Estimation Adopted*

#### *1. Sample Design*

For the Survey of Labour Conditions, a stratified sampling design with industry as a stratum, with further regional strata for those industries which were found to be highly concentrated in particular regions or areas, was followed. The registered factories/plantations belonging to those industries for which regional stratification was found necessary were stratified and each centre or area of high concentration was taken as a separate regional stratum of the industry and the remaining scattered units were clubbed together into a single residual stratum. Units in each industry/regional stratum were divided into two size-groups i.e., upper and lower. The cut-off point used for the classification of units into two size-groups in the case of coffee plantations was 90. This was arrived at on the basis of the average employment of coffee estates in the country as a whole. However, in the case of this industry there was no regional stratification and sample units were selected from the all-India list.

In regard to sample size, it was thought that a sample of 25 per cent. from upper size group and 12½ per cent. from the lower size-group would yield reasonably reliable results.

The ultimate sampling units, namely, registered plantations within an industry/regional stratum were arranged by contiguous States and within each State by contiguous districts in a serpentine fashion so that districts formed a continuous chain from one State to another. Having arranged the list of units in the above manner, coffee plantations employing more than 90 workers were taken in the upper size class and the rest in the lower-size class. From these size-groups, the required number of units were selected by systematic sampling with a random start. The frame, on the basis of which the sample was selected in the case of coffee plantations, was the list of plantations covered under the Plantations Labour Act, 1951 for the year 1960.

#### *2. Method of Estimation*

In the course of this Survey, various characteristics were studied, some of which were correlated with employment whereas there were others which were not so correlated. Consequently, slightly different methods were used for working out estimates for these two cases. For estimating the totals of those characteristics which are highly correlated with employment such as absenteeism, labour turnover, earnings and labour cost, ratio of total employment was used as the blowing up factor. On the other hand, for estimating the totals of those characteristics which are not directly correlated with employment such as, daily hours of work, units levying fines, etc., the ratio of units was used as the blowing-up factor. Estimates of percentages have been arrived at by computing in each case the ratio of the estimates of the totals for the characteristics involved.



More precisely, the estimates for the total (for all-India) of a particular characteristic not correlated with employment in the industry has been obtained as:

$$X = \frac{N_u - N'_u}{n_u - n'_u} \sum_i X_{iu} + \frac{N_L - N'_L}{n_L - n'_L} \sum_i X_{iL} \dots\dots\dots (1)$$

The summation extending over all the sampled units surveyed in the industry.

Where  $X$  = the estimated total of the  $x$ -characteristic for a particular stratum;

$N_u$  and  $N_L$  = the number of units in the original population as featuring in the 1960 list, which was used as frame in the upper and lower size groups respectively of the stratum concerned ;

$N'_u$  and  $N'_L$  = the number of units which featured in the 1960 list but were not featuring in the list relating to the period more or less coincide with the period of the survey in the upper and lower size-groups, respectively of the industry ;

$n_u$  and  $n_L$  = the total number of units in the sample (from 1960 list) in the upper and lower size groups respectively of the industry ;

$n'_u$  and  $n'_L$  = the number of sampled units, which were found at the time of the survey to be closed or to have changed the line of production and hence left out in the upper and lower size groups respectively of the industry ;

$X_{iu}$  and  $X_{iL}$  = the total of the characteristic  $X$  in the  $i$ th sampled unit of the upper and lower size groups respectively of the industry.

In the industry the estimate for the characteristic  $Y$  correlated with employment is given by:

$$Y = \frac{E_{N_u} - N'_u}{E_{n_u} - n'_u} \sum_i Y_{iu} + \frac{E_{N_L} - N'_L}{E_{n_L} - n'_L} \sum_i Y_{iL} \dots\dots\dots (2)$$

The summation extending over all the sampled units surveyed in the industry.

Where  $Y$  = the estimated total of the  $Y$ -characteristic for the industry.

$E_{N_u} - N'_u$  and  $E_{N_L} - N'_L$  = the total employment in 1960 in the  $N_u - N'_u$  and  $N_L - N'_L$  units respectively of the industry.

$E_{n_u} - n'_u$  and  $E_{n_L} - n'_L$  = the total employment in  $n_u - n'_u$  and  $n_L - n'_L$  sampled units respectively of the industry.

$Y_{iu}$  and  $Y_{iL}$  = the total number of  $Y$ -characteristic in the  $i$ th sampled unit of the upper and lower size groups respectively of the Industry.

